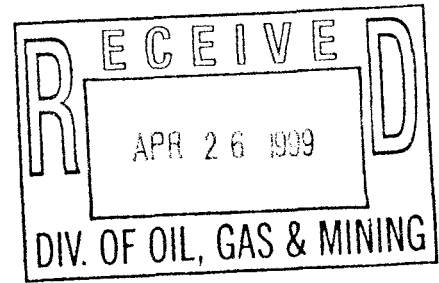




April 23, 1999

Bureau of Land Management
Vernal District Office
170 South 500 East
Vernal, Utah 84078



ATTENTION: Ed Forsman / Wayne Bankert / Greg Darlington

Gentleman,

Enclosed are the original and two copies of the Application For Permit to Drill (Deepen)
for the McCook #1-66.

If you have questions or need additional information, please do not hesitate to call me,
(435) 789-4433.

Sincerely,

Katy Dow
Environmental Secretary

Coastal Oil & Gas Corporation

A SUBSIDIARY OF THE COASTAL CORPORATION
1176 S 1500 E • P.O. BOX 1148 • VERNAL UT 84078 • 435/789-4433 • FAX 435/789-4436

Mr. Ferron Secakuka
Ute Tribe
Energy & Minerals Resource Department
PO Box 70
Ft. Duchesne, UT 84026

Mr Charles H Cameron
Bureau of Indian Affairs
Uintah & Ouray Agency
Office of Mineral & Mining
PO Box 130
Ft. Duchesne, UT 84026

Ms. Lisha Cordova
State of Utah
Division of Oil Gas & Mining
1594 West North Temple, Suite 1210
Salt Lake City, UT 84114

**UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT**

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/> REVISED <input type="checkbox"/>		5. LEASE DESIGNATION AND SERIAL NO. 14-20-H62-3013
1b. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/> SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>		6. IF INDIAN, ALLOTTEE OR TRIBE NAME Ute
2. NAME OF OPERATOR Coastal Oil & Gas Corporation		7. UNIT AGREEMENT NAME N/A
3. ADDRESS OF OPERATOR P.O. Box 1148 Vernal, UT 84078 (435) 781-7023		8. FARM OR LEASE NAME McCook
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)* At Surface 627379 E At proposed Prod. Zone NW/NW 618' FNL & 689' FWL 414 36486 N		9. WELL NO. #1-66
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* 10.2 miles southeast of Ouray		10. FIELD AND POOL OR WILDCAT Ouray Field/Wasatch
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 618'	16. NO. OF ACRES IN LEASE 165.40	17. NO. OF ACRES ASSIGNED TO THIS WELL 320
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR ON THIS LEASE, FT. Refer to Topo Map C	19. PROPOSED DEPTH 8900'	20. ROTARY OR CABLE TOOLS Rotary
21. ELEVATIONS (Show whether DF, RT, GR, etc.) 4691.3' GR		22. APPROX. DATE WORK WILL START* 2nd Quarter 1999

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT/FOOT	SETTING DEPTH	QUANTITY OF CEMENT
SEE ATTACHED DRILLING PROGRAM				

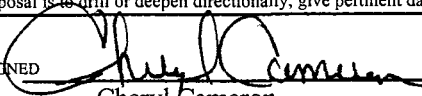
Coastal Oil & Gas Corporation proposes to drill a well to the proposed TD as stated above. If productive, casing will be run and the well completed. If dry, the well will be plugged and abandoned as per BLM and State of Utah requirements.

See the attached Drilling Program and Multi-point Surface Use & Operations Plan.

Coastal Oil & Gas Corp. is considered to be the operator of the subject well. COGC agrees to be responsible under the terms and conditions of the lease for the operations conducted upon the leased lands. Bond coverage pursuant to 43CFR 3104 for lease activities is being provided by: BLM Nationwide Bond #U605382-9, BIA Nationwide #114066-A, and State of Utah #102103.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM : If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone.

If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24. SIGNED  TITLE **Environmental Analyst** DATE **4/20/99**
Cheryl Cameron

(This space for Federal or State office use)

PERMIT NO. **43-047-33336** APPROVAL DATE _____

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

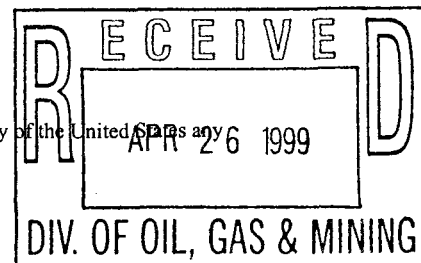
CONDITIONS OF APPROVAL, IF ANY:

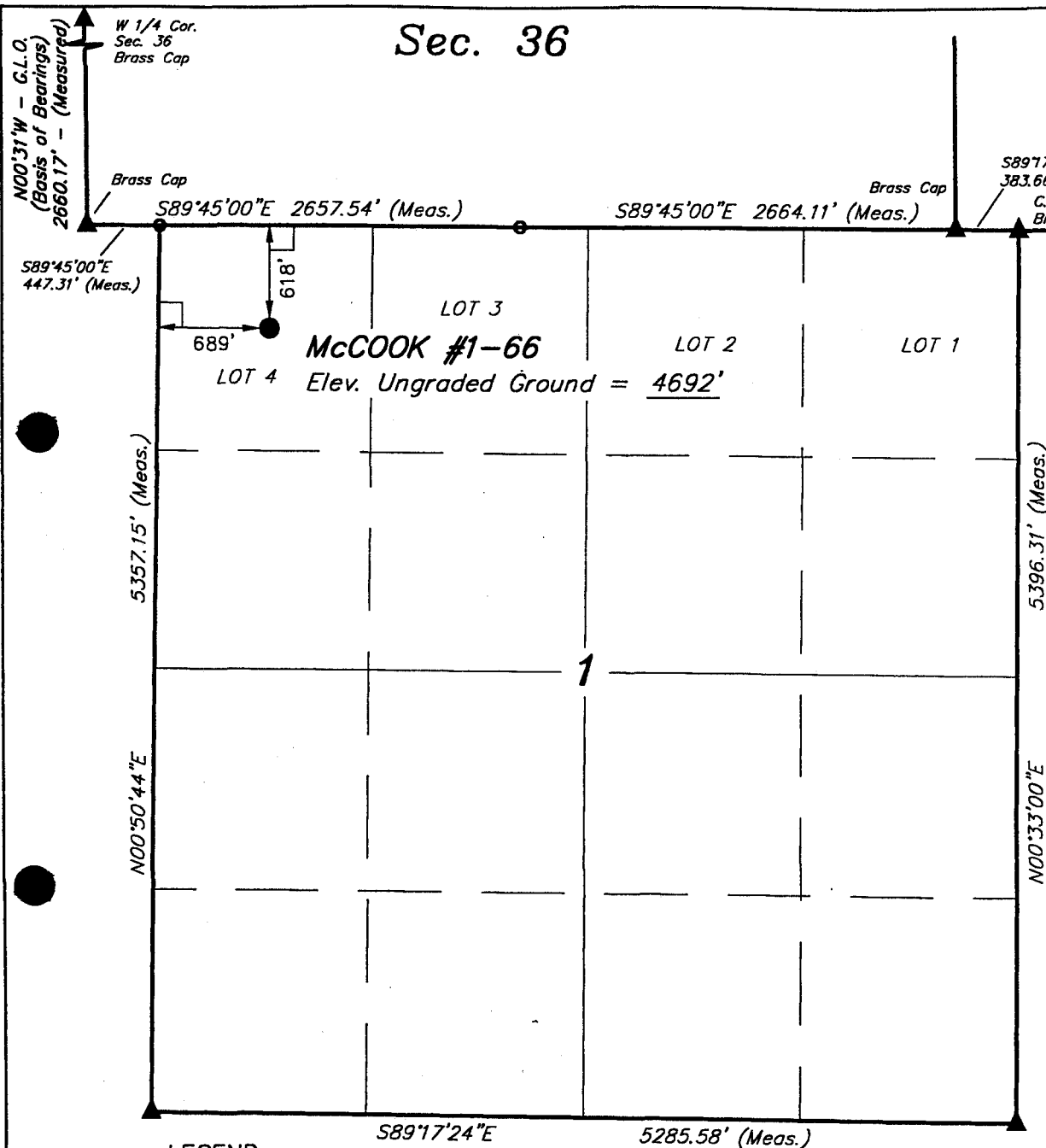
APPROVED BY  TITLE **BRADLEY G. HILL
RECLAMATION SPECIALIST III** **5/5/98**

**Federal Approval of this
Action is Necessary**

***See Instructions On Reverse Side**

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.



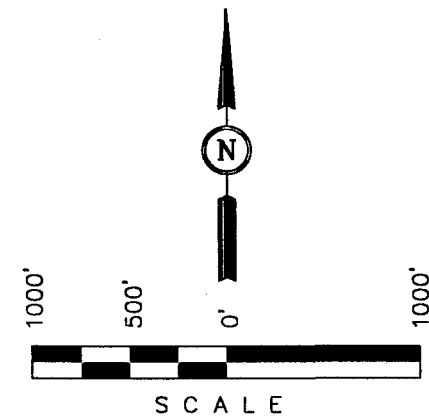


COASTAL OIL & GAS CORP.

Well location, McCOOK #1-66, Located as shown in Lot 4 of Section 1, T9S, R21E, S.L.B.&M. Uintah County, Utah.

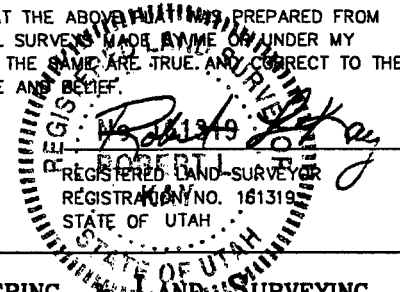
BASIS OF ELEVATION

T9S
BENCH MARK (20EAM) LOCATED IN THE SE 1/4 OF SECTION 35, T8S, R21E, S.L.B.&M. TAKEN FROM THE OURAY SE QUADRANGLE, UTAH, UINTAH COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 4697 FEET.



CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.



Revised: 4-2-99 C.B.T.

UINTAH ENGINEERING & LAND SURVEYING
85 SOUTH 200 EAST - VERNAL, UTAH 84078
(435) 789-1017

LEGEND:

└─┘ = 90° SYMBOL

● = PROPOSED WELL HEAD.

▲ = SECTION CORNERS LOCATED.

○ = SECTION CORNERS RE-ESTABLISHED. (Not Set on Ground)

SCALE 1" = 1000'	DATE SURVEYED: 10-14-96	DATE DRAWN: 10-20-96
PARTY D.K. K.S. D.R.B.	REFERENCES G.L.O. PLAT	
WEATHER WARM	FILE COASTAL OIL & GAS CORP.	

**McCook #1-66
618' FNL & 689' FWL
NW/NW LOT 4, SECTION 1-T9S-R21E
UINTAH COUNTY, UTAH
LEASE NUMBER: 14-20-H62-3013**

**ONSHORE ORDER NO. 1
COASTAL OIL & GAS CORPORATION**

DRILLING PROGRAM

1. Estimated Tops of Important Geologic Markers:

<u>Formation</u>	<u>Depth</u>
KB	4705'
Green River	2030'
Wasatch	5330'
Mesaverde	7980'
Total Depth	8700'

2. Estimated Depths of Anticipated Water, Oil, Gas, or Mineral Formations:

<u>Substance</u>	<u>Formation</u>	<u>Depth</u>
Oil/Gas	Green River	2030'
	Wasatch	5330'
	Mesaverde	7980'
Water	N/A	
Other Minerals	N/A	

3. Pressure Control Equipment:

Please see the Natural Buttes Unit Standard Operating Procedure (SOP).

4. Proposed Casing & Cementing Program:

Please see the Natural Buttes Unit SOP.

Casing and Cementing Program changes from the Natural Buttes Unit SOP are as follows:

<i>SURFACE CASING</i>	<i>Depth</i>	<i>Hole Size</i>	<i>Csg Size</i>	<i>Wt/Ft</i>	<i>Grade</i>	<i>Type</i>
Kicker Sand Present	0-900'	11"	8-5/8"	24#	K-55	ST&C

<i>Surface Casing</i>	<i>Fill</i>	<i>Type & Amount</i>
Kicker Sand Present -- 0-900'	900'	255 sx Class "G" + 2% CaCl ₂ , 15.6 ppg, 1.19 cf/sx (Cement will be circulated to surface, about 25% excess).
<i>Production Casing</i>	<i>Type & Amount</i>	
500' above productive interval-surface	Lead: Extended, Lite, or Hi-Fill cement + additives, 11 ppg, 3.81 cf/sx.	
TD-500' above productive interval	Tail: Extended Class "G" or 50:50 Poz + additives, 14.3 ppg; or RFC, 14.0-14.5 ppg, 1.26 cf/sx.	

5. **Drilling Fluids Program:**

Please see the Natural Buttes Unit SOP.

If the Kicker Sand is present, weighted mud (9.0 ppg or less) may be required. If hole conditions warrant, a mud system will be used.

6. **Evaluation Program:**

Please see the Natural Buttes Unit SOP.

7. **Abnormal Conditions:**

Maximum anticipated bottomhole pressure approximately equals 3,560 psi (calculated at 0.4 psi/foot).

Maximum anticipated surface pressure equals approximately 1,602 psi (bottomhole pressure minus the pressure of a partially evacuated hole calculated at 0.22 psi/foot).

8. **Anticipated Starting Dates & Notification of Operations:**

Please see the Natural Buttes Unit SOP.

9. **Variances:**

Please see the Natural Buttes Unit SOP.

10. **Other Information:**

Please see the Natural Buttes Unit SOP.

McCOOK #1-66
618' FNL & 689' FWL
NW/NW, LOT 4, SECTION 1-T9S-R21E
UINTAH COUNTY, UTAH
LEASE NUMBER: 14-20-H62-3013

ONSHORE ORDER NO. 1

MULTI-POINT SURFACE USE & OPERATIONS PLAN

An onsite inspection was conducted for the McCook #1-66 on 4/15/99. In attendance at the inspection were the following individuals:

Ronny Routh	Coastal Oil & Gas Corporation
Larry Hain	Coastal Oil & Gas Corporation
Paul Breshears	Coastal Oil & Gas Corporation
Carroll Wilson	Coastal Oil & Gas Corporation
Greg Darlington	Bureau of Land Management
Manuel Myore	Bureau of Indian Affairs
Alvin Ignacio	Ute Tribe
Robert Kay	Uintah Engineering & Land Surveying
Gary Streeter	Uintah Engineering & Land Surveying
Harley Jackson	Jackson Construction
Jim Justice	J&L Oilfield Service
John Faucett	John E. Faucett Construction

1. Existing Roads:

Refer to Topo Map A for directions to the location.

Refer to Topo Maps A and B for location of access roads within a 2-mile radius.

2. Planned Access Roads:

Please see the Natural Buttes Unit Standard Operating Procedure (SOP).

A 5' X 40' culvert shall be installed at the beginning of the proposed access road, as discussed at the onsite.

Refer to Topo Map B for the location of the proposed access road.

3. Location of Existing Wells Within a 1-Mile Radius:

Please refer to Topo Map C.

4. Location of Existing & Proposed Facilities:

Please see the Natural Buttes Unit SOP.

Refer to Topo Map D for the location of the proposed pipeline. The proposed pipeline will be buried.

5. **Location and Type of Water Supply:**

Please see the Natural Buttes Unit SOP.

6. **Source of Construction Materials:**

Please see the Natural Buttes Unit SOP.

7. **Methods of Handling Waste Materials:**

Please see the Natural Buttes Unit SOP.

8. **Ancillary Facilities:**

Please see the Natural Buttes Unit SOP.

9. **Well Site Layout:** (See Location Layout Diagram)

The attached Location Layout Diagram describes drill pad cross-sections, cuts and fills, and locations of the mud tanks, reserve pit, flare pit, pipe racks, trailer parking, spoil dirt stockpile(s), and surface material stockpile(s).

Please see the attached diagram to describe rig orientation, parking areas, and access roads.

10. **Plans for Reclamation of the Surface:**

Please see the Natural Buttes Unit SOP.

11. **Surface Ownership:**

The well pad and access road are located on lands owned by the Ute Tribe.

12. **Other Information:**

A Class III archaeological survey was conducted by AERC Archaeological Consultants. A copy of this report was submitted directly to the appropriate agencies by AERC Archaeological Consultants. Cultural resource clearance was recommended for this location.

13. Lessee's or Operators's Representative & Certification:

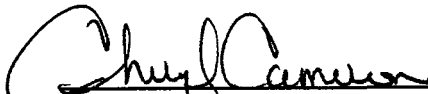
Cheryl Cameron
Environmental Analyst
Coastal Oil & Gas Corporation
P.O. Box 1148
Vernal, UT 84078
(435) 781-7023

Tom Young
Drilling Manager
Coastal Oil & Gas Corporation
9 Greenway Plaza, Suite 2770
Houston, TX 77046
(713) 418-4156

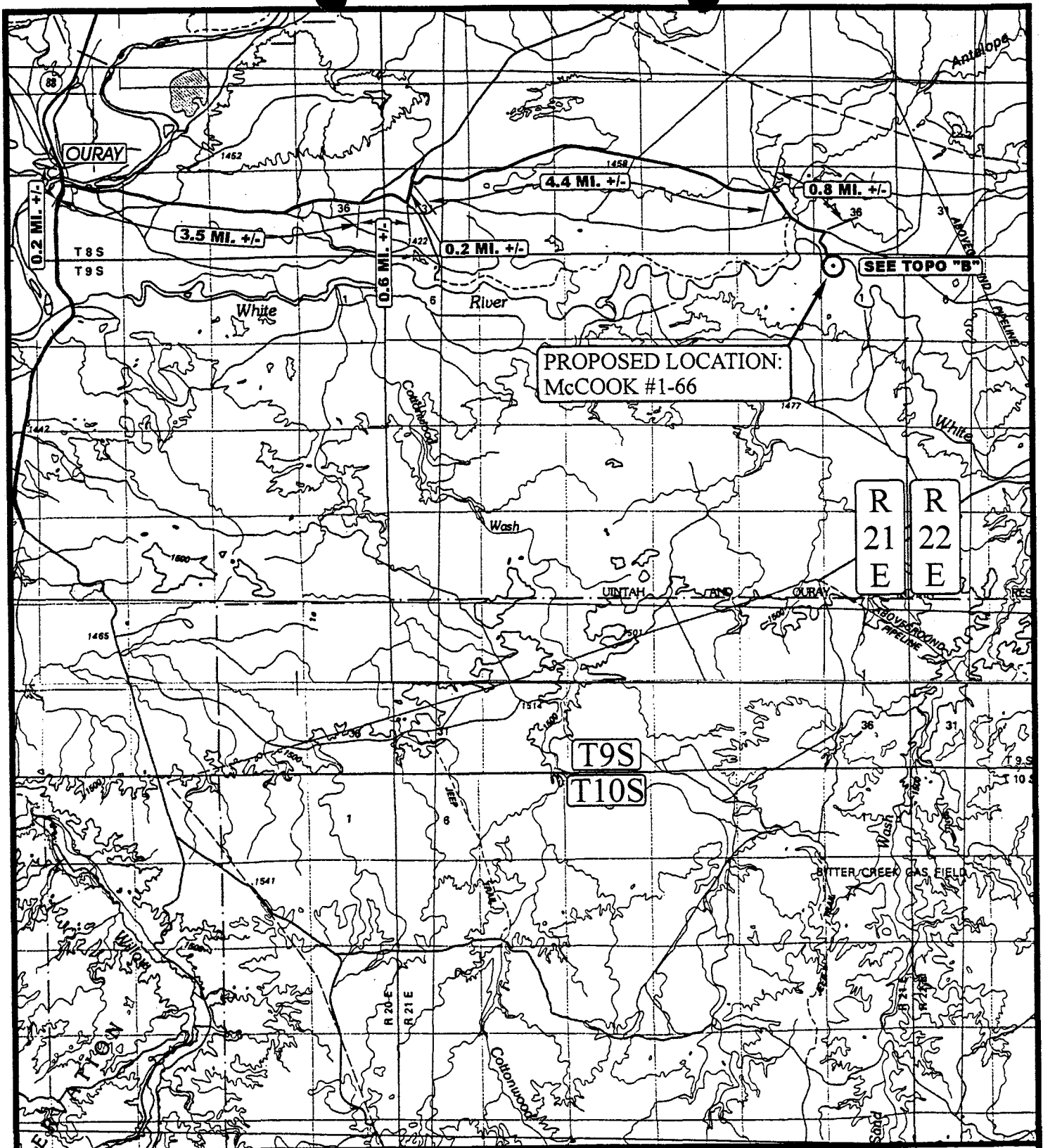
Certification: All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved Plan of Operations, and any applicable Notice to Lessees.

The Operator will be fully responsible for the actions of its subcontractors. A complete copy of the approved "Application for Permit to Drill" will be furnished to the field representative(s) to ensure compliance and shall be on location during all construction and drilling operations.

I hereby certify that I, or persons under my supervision, have inspected the proposed drill site and access route, that I am familiar with the conditions that currently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and the work associated with the operations proposed herein will be performed by the Operator, its contractors, and subcontractors in conformity with this plan and the terms and conditions under which it is approved.


Cheryl Cameron

4/23/99
Date



LEGEND:

○ PROPOSED LOCATION



Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813



COASTAL OIL & GAS CORP.

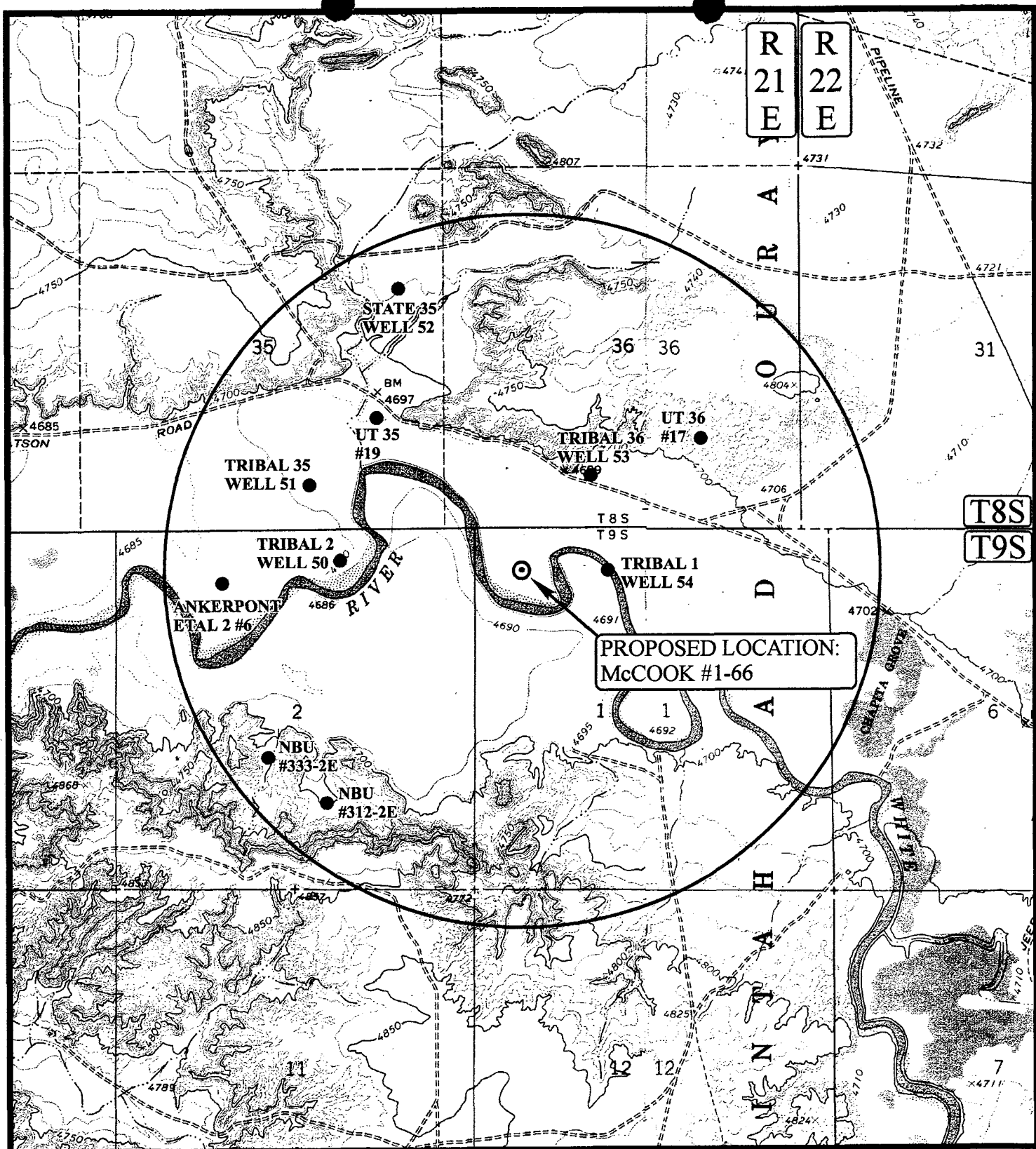
McCOOK #1-66
SECTION 1, T9S, R21E, S.L.B.&M.
618' FNL 689' FWL

TOPOGRAPHIC
MAP

11 20 98
MONTH DAY YEAR

SCALE: 1:100,000 DRAWN BY: J.L.G. REVISED: 00-00-00





LEGEND:

- | | |
|-------------------|-------------------------|
| ○ DISPOSAL WELLS | ⊕ WATER WELLS |
| ● PRODUCING WELLS | ⊖ ABANDONED WELLS |
| ● SHUT IN WELLS | ⊙ TEMPORARILY ABANDONED |



Uintah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813



COASTAL OIL & GAS CORP.

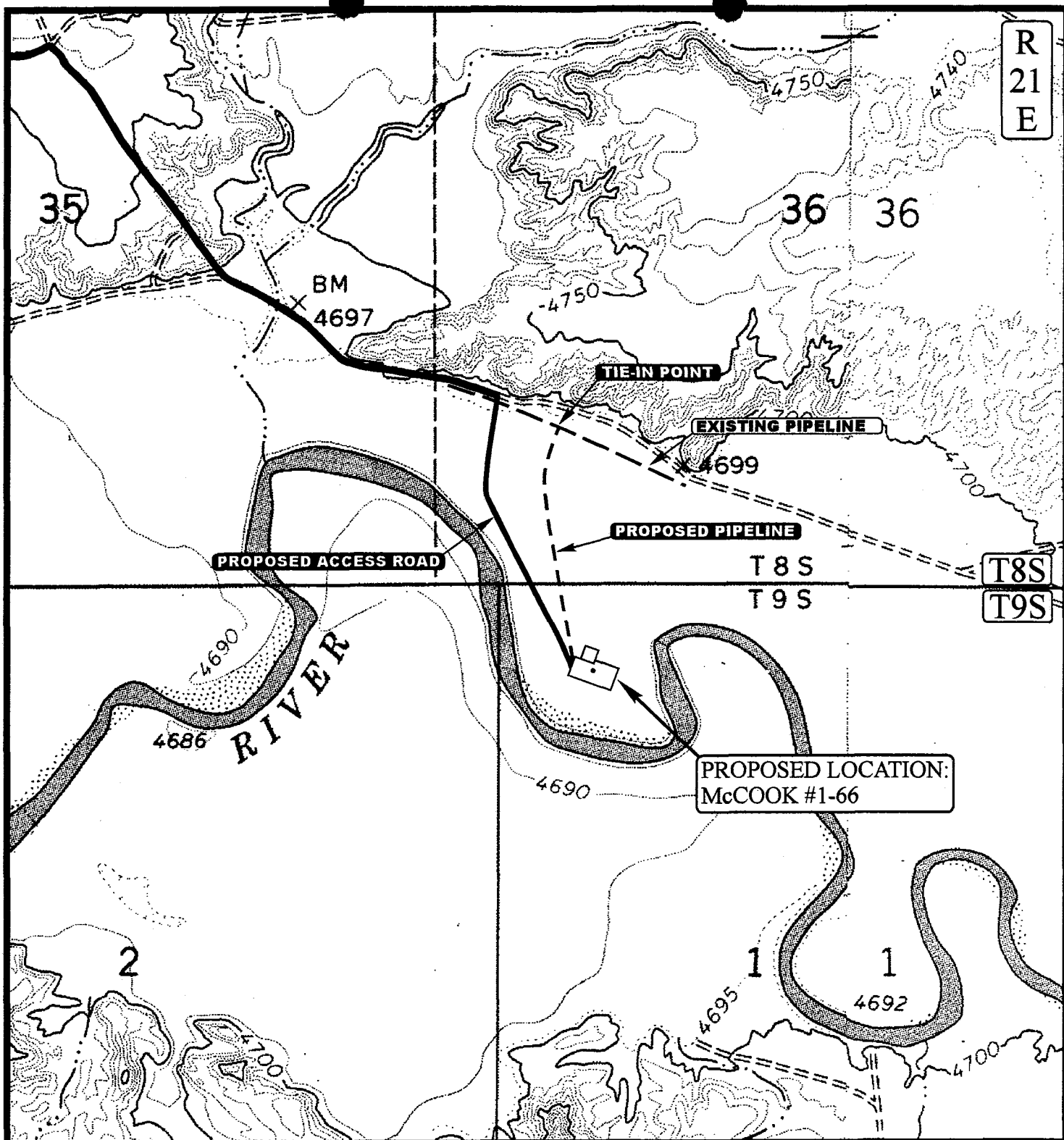
McCOOK #1-66
 SECTION 1, T9S, R21E, S.L.B.&M.
 618' FNL 689' FWL

TOPOGRAPHIC
 MAP

11 20 98
 MONTH DAY YEAR

SCALE: 1" = 2000' DRAWN BY: J.L.G. REVISED: 00-00-00





APPROXIMATE TOTAL PIPELINE DISTANCE = 1692' +/-

LEGEND:

- — — — — EXISTING PIPELINE
- - - - - PROPOSED PIPELINE
- — — — — PROPOSED ACCESS

COASTAL OIL & GAS CORP.

McCOOK #1-66

SECTION 1, T9S, R21E, S.L.B.&M.

618' FNL 689' FWL



Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813



TOPOGRAPHIC
MAP

11 20 98
MONTH DAY YEAR

SCALE: 1" = 1000'

DRAWN BY: J.L.G.

REVISED: 00-00-00



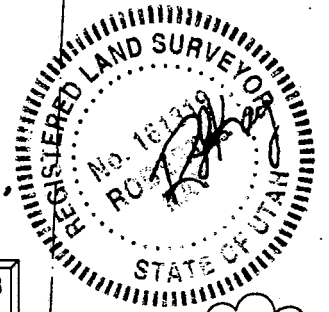
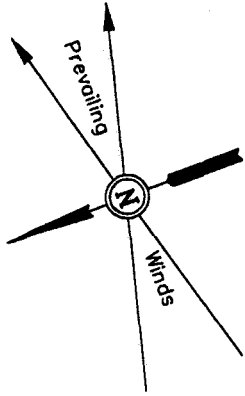
COASTAL OIL & GAS CORP.

LOCATION LAYOUT FOR

McCOOK #1-66

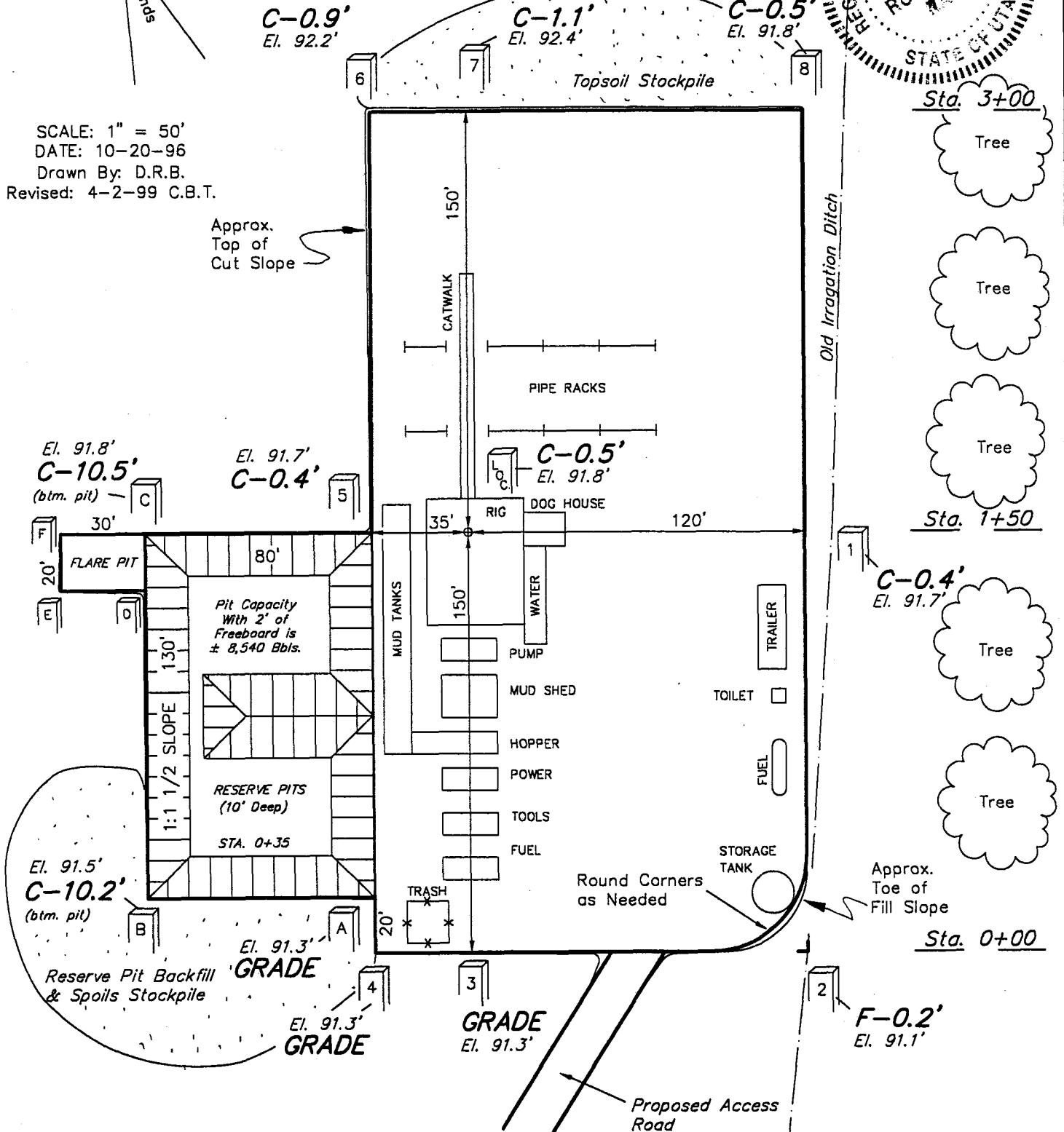
SECTION 1, T9S, R21E, S.L.B.&M.

618' FNL 689' FWL



SCALE: 1" = 50'
DATE: 10-20-96
Drawn By: D.R.B.
Revised: 4-2-99 C.B.T.

Approx.
Top of
Cut Slope



Elev. Ungraded Ground at Location Stake = 4691.8'
Elev. Graded Ground at Location Stake = 4691.3'

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East • Vernal, Utah 84078 • (435) 789-1017

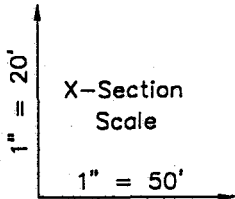
COASTAL OIL & GAS CORP.

TYPICAL CROSS SECTIONS FOR

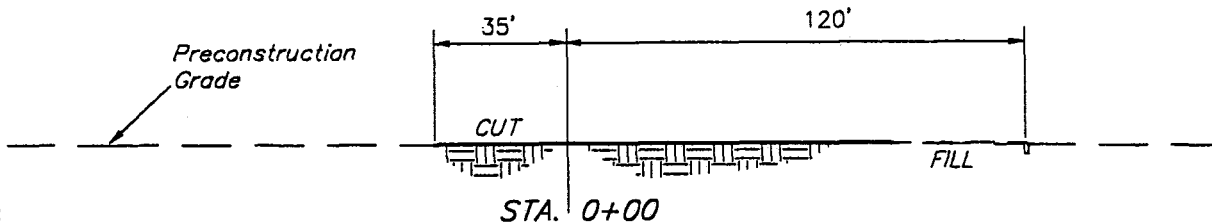
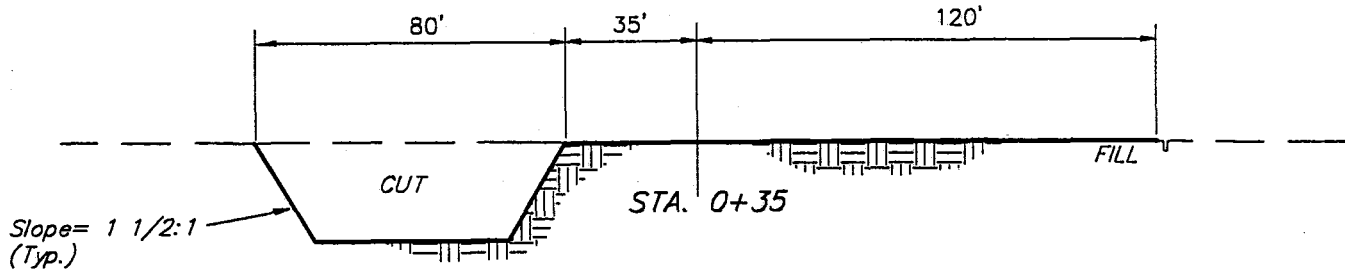
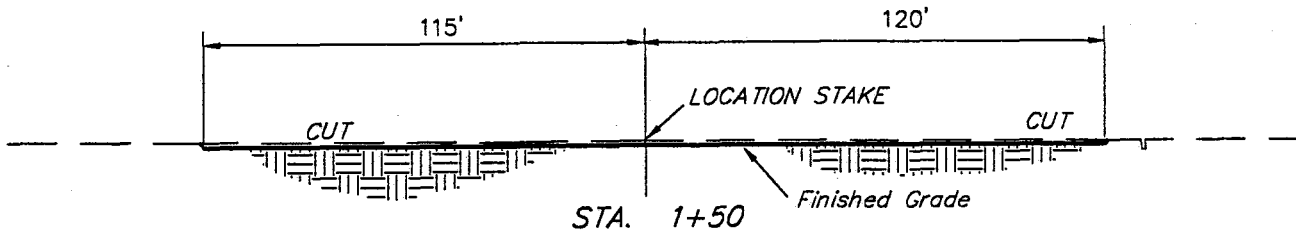
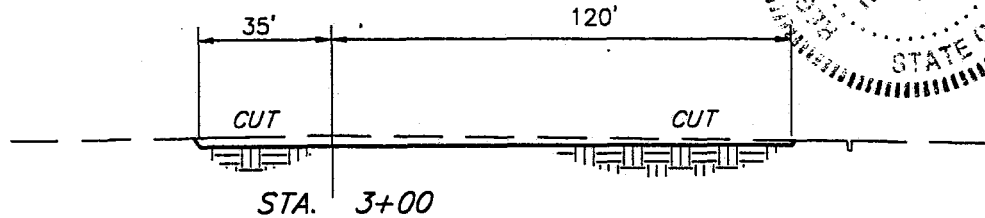
McCOOK #1-66

SECTION 1, T9S, R21E, S.L.B.&M.

618' FNL 689' FWL



DATE: 10-20-96
Drawn By: D.R.B.
Revised: 4-2-99 C.B.T.



NOTE:

Topsoil should not be
Stripped Below Finished
Grade on Substructure Area.

APPROXIMATE YARDAGES

(12") Topsoil Stripping = 2,100 Cu. Yds.
Remaining Location = 2,310 Cu. Yds.
TOTAL CUT = 4,410 CU.YDS.
FILL = 1,020 CU.YDS.

EXCESS MATERIAL AFTER
5% COMPACTION = 3,340 Cu. Yds.
Topsoil & Pit Backfill
(1/2 Pit Vol.) = 3,330 Cu. Yds.
EXCESS UNBALANCE = 10 Cu. Yds.
(After Rehabilitation)

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East • Vernal, Utah 84078 • (435) 789-1017

WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 04/26/1999

API NO. ASSIGNED: 43-047-33336

WELL NAME: MCCOOK 1-66
OPERATOR: COASTAL OIL & GAS CORP (N0230)
CONTACT: Cheryl Cameron (435) 781-7023

PROPOSED LOCATION:
NWNW 01 - T09S - R21E
SURFACE: 0618-FNL-0689-FWL
BOTTOM: 0618-FNL-0689-FWL
UINTAH COUNTY
NATURAL BUTTES FIELD (630)

LEASE TYPE: IND
LEASE NUMBER: 14-20-H62-3013
SURFACE OWNER: Ute Tribe

INSPECT LOCATN BY: / /

TECH REVIEW	Initials	Date
Engineering	RSK	5/5/99
Geology		
Surface		

oil shale on by

PROPOSED FORMATION: MVRD

RECEIVED AND/OR REVIEWED:

☒ Plat
☒ Bond: Fed[] Ind[] Sta[] Fee[]
(No. 114066-A)
☒ Potash (Y/N)
☒ Oil Shale (Y/N) *190-5(B)
☒ Water Permit
(No. 43-8496)
☒ RDCC Review (Y/N)
(Date:)
N/A Fee Surf Agreement (Y/N)

LOCATION AND SITING:

☐ R649-2-3. Unit
☐ R649-3-2. General
☐ R649-3-3. Exception
☒ Drilling Unit
Board Cause No: 173-13
Date: 3-24-99
☐ R649-3-11. Directional Drill

COMMENTS: *NBK/Orray Field Standard Operating Practices (SOP), separate file.

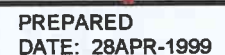
STIPULATIONS

① In accordance with Order in Cause No. 190-5(b) dated October 28, 1982, the Operator shall comply with requirements of Rule R649-3-31 pertaining to Designated Oil Shale Areas. Additionally, the operator shall ensure that the surface and/or production casing in properly cemented over the entire oil shale interval as defined by Rule R649-3-31. For the proposed well this interval is approximately 1960' to 2083' below GL. The Operator shall report the actual depth the oil shale is encountered to the Division.

② FEDERAL APPROVAL



COUNTY: UINTAH UNIT: NONE





State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt
Governor

Kathleen Clarke
Executive Director

Lowell P. Braxton
Division Director

1594 West North Temple, Suite 1210

PO Box 145801

Salt Lake City, Utah 84114-5801

801-538-5340

801-359-3940 (Fax)

801-538-7223 (TDD)

May 5, 1999

Coastal Oil & Gas Corporation
P.O. Box 1148
Vernal, Utah 84078

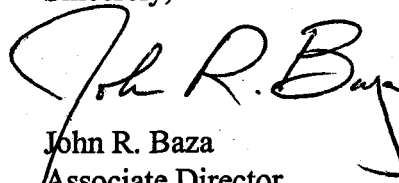
Re: McCook 1-66 Well, 618' FNL, 689' FWL, NW NW, Sec. 1, T.9 S., R. 21 E., Uintah
County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. 40-6-1 et seq., Utah Administrative Code R649-3-1 et seq., and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-33336.

Sincerely,


John R. Baza
Associate Director

lwp
Enclosures

cc: Uintah County Assessor
Bureau of Land Management, Vernal District Office

Operator: Coastal Oil & Gas Corporation

Well Name & Number: McCook 1-66

API Number: 43-047-33336

Lease: Indian **Surface Owner:** Ute Tribe

Location: NW NW **Sec.** 1 **T.** 9 S. **R.** 21 E.

Conditions of Approval

1. General

Compliance with the requirements of Utah Admin. R. 649-1 et seq., the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for Permit to Drill.

2. Notification Requirements

Notify the Division within 24 hours of spudding the well. Contact Carol Daniels at (801)538-5284.

Notify the Division prior to commencing operations to plug and abandon the well. Contact Dan Jarvis at (801) 538-5338 or Robert Krueger at (801) 538-5274.

3. Reporting Requirements

All required reports, forms and submittals shall be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

- 4.** In accordance with the Order in Cause No. 190-5(b) dated October 28, 1982, the operator shall comply with the requirements of Rule R649-3-31 pertaining to Designated Oil Shale Areas. Additionally, the operator shall ensure that the surface and/or production casing is properly cemented over the entire oil shale interval as defined by Rule R649-3-31. For the proposed well this interval is approximately 1,960' to 2,083' below G.L. The operator shall report the actual depth the oil shale is encountered to the Division.

- 5.** State approval of this well does not supersede the required federal approval which must be obtained prior to drilling.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/> REVISED <input type="checkbox"/>		5. LEASE DESIGNATION AND SERIAL NO. 14-20-H62-3013	
1b. TYPE OF WELL OIL <input type="checkbox"/> GAS <input type="checkbox"/> SINGLE <input type="checkbox"/> MULTIPLE <input type="checkbox"/> WELL <input type="checkbox"/> WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/> ZONE <input type="checkbox"/> ZONE <input type="checkbox"/>		6. IF INDIAN, ALOTTEE OR TRIBE NAME Ute	
2. NAME OF OPERATOR Coastal Oil & Gas Corporation		7. UNIT AGREEMENT NAME N/A 4TU-76246	
3. ADDRESS OF OPERATOR P.O. Box 1148 Vernal, UT 84078 (435) 781-7023		8. FARM OR LEASE NAME McCook	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)* At Surface At proposed Prod. Zone NW/NW 618' FNL & 689' FWL		9. WELL NO. #1-66	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* 10.2 miles southeast of Ouray		10. FIELD AND POOL OR WILDCAT Ouray Field/Wasatch	
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 618'		11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Lot 4, Sec. 1, T9S, R21E	
16. NO. OF ACRES IN LEASE 165.40		12. County Utah	
17. NO. OF ACRES ASSIGNED TO THIS WELL 320		13. STATE UT	
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR ON THIS LEASE, FT. Refer to Topo Map C		20. ROTARY OR CABLE TOOLS Rotary	
19. PROPOSED DEPTH 8900'		22. APPROX. DATE WORK WILL START* 2nd Quarter 1999	
21. ELEVATIONS (Show whether DF, RT, GR, etc.) 4691.3' GR			

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT/FOOT	SETTING DEPTH	QUANTITY OF CEMENT
SEE ATTACHED DRILLING PROGRAM				

Coastal Oil & Gas Corporation proposes to drill a well to the proposed TD as stated above. If productive, casing will be run and the well completed. If dry, the well will be plugged and abandoned as per BLM and State of Utah requirements.

See the attached Drilling Program and Multi-point Surface Use & Operations Plan.

Coastal Oil & Gas Corp. is considered to be the operator of the subject well. COGC agrees to be responsible under the terms and conditions of the lease for the operations conducted upon the leased lands. Bond coverage pursuant to 43CFR 3104 for lease activities is being provided by: BLM Nationwide Bond #U605382-9, BIA Nationwide #114066-A, and State of Utah #102103.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM : If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24. SIGNED Cheryl Cameron TITLE Environmental Analyst DATE 4/20/99
Cheryl Cameron

(This space for Federal or State office use)

NOTICE OF APPROVAL

PERMIT NO. 43-042-33336 APPROVAL DATE

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

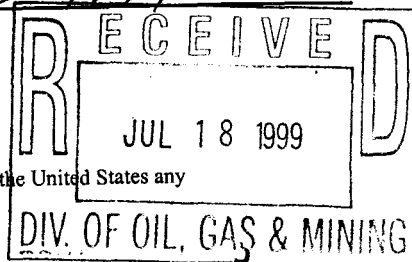
CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY Thomas R. Cleaves TITLE Assistant Field Manager Mineral Resources DATE 7-6-1999

*See Instructions On Reverse Side

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

CONDITION OF A
TO OPERATIONS COPY



CONDITIONS OF APPROVAL
APPLICATION FOR PERMIT TO DRILL

Company/Operator: Coastal Oil & Gas Corporation

Well Name & Number: McCook 1-66

API Number: 43-047-3336- 33336

Lease Number: 14-20-H62-3013

Location: NWNW Sec. 01 T. 09S R. 21E

CONDITIONS OF APPROVAL FOR NOTICE TO DRILL

Approval of this application does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Be aware fire restrictions may be in effect when location is being constructed and/or when well is being drilled. Contact the appropriate Surface Management Agency for information.

The **BOP** and related equipment shall meet the minimum requirements of Onshore Oil and Gas Order No. 2 for equipment and testing requirements, procedures, etc., for a **3M** system and individual components shall be operable as designed. Chart recorders shall be used for all pressure tests.

A. Drilling Program

1. Casing Program and Auxiliary Equipment

The hole size for the surface casing shall be a minimum of 12 1/4" diameter, to facilitate remedial cementing

2. Mud program and Circulating Medium

The request to consider disposing of drilling fluids down the casing annulus is **denied**.

SURFACE CONDITIONS OF APPROVAL

The Ute Tribe Energy and Mineral Department is to be notified 48 hours in writing in advance of any construction activity. The Ute Tribal office days are Monday through Thursday. The Ute Tribe Energy and Minerals Department is to be notified in writing of any changes that are made to the original application and ROW. Approved changes will be provided in writing from the Ute Tribe. The Tribal Technician shall be notified and monitor backfilling of reserve pits, reseeding and rehab for reserve pits and portions of locations not used by the production facilities.

Thirty foot wide Rights-Of-Way (ROWs) corridor shall be granted for the following:

Access roads which shall have constructed travel width limited to 18 feet, except as granted for sharp curves or intersections or where deep cuts are required for road construction. The new access will be about 1800 feet in length and existing roads would be upgraded to serve the production operations. A 5 foot by 40 foot long culvert will be installed as discussed at the onsite meeting to improve the proposed new access road. Culverts and cattleguards will be installed where required.

The steel flowline has been proposed to follow the access road as described in the APD. This proposed flowline is estimated to be 1692 feet long. Coastal is to have an approved BIA right-of-way before beginning pipeline construction. The construction is to be according to their approved flowline right-of-way.

Surface pipelines will be constructed to lay on the soil surface, and the ROW for the pipeline will not be bladed or cleared of vegetation. The line shall either be constructed on the road and then lifted from the road to its intended location paralleling the road, or it shall be welded in place at a welding station located at the wellsite or on roads near the flowline right of way and then dragged into place with a suitable piece of equipment so it will not destroy the natural vegetation. If the flowline doesn't follow existing and APD proposed new access roads then traffic shall be restricted along pipeline ROWs so that they will not be used as an access road.

Buried flowlines shall be a minimum of four feet below the surface. After the construction of the pipeline is completed the disturbed area of the ROW shall be contoured to blend into the natural landscape, and it shall be reseeded with desirable vegetation. Between September 15 and November 1 of the year following pipeline construction of the buried line all disturbed areas shall be reseeded with perennial vegetation according to BIA, or to Ute Tribe specifications.

As necessary one-foot gravel fill will be used for production facilities and access roads. When wellsites are plugged and abandoned gravel will be removed from the affected fields and reclamation will be according to BIA specifications.

Coastal will assure the Ute Tribe that any/all contractors and subcontractors have acquired a current 1999 Tribal Business License and have access permits prior to construction.

Coastal employees, representatives, and subcontractors shall not carry firearms on their person or in their vehicles while working on the Uintah and Ouray Indian Reservation.

Coastal employees and/or authorized personnel (subcontractors) in the field will have applicable APD's and/or ROW permits/authorizations on their person(s) during all phases of construction.

All vehicular traffic, personnel movement, construction, and restoration activities shall be confined to the areas examined, as referenced in report, and to the existing roadways and/or evaluated access routes.

All personnel should refrain from collecting artifacts, any paleontological fossils, and from disturbing any significant cultural resources in the area.

The Ute Tribe Energy & Mineral Department shall be consulted if cultural remains (including paleontology fossils) from subsurface deposits are exposed or identified during construction or if the need arises to relocate or otherwise alter the location of the construction area. Prior to commencing constructing in the area where cultural resources are exposed the operator must obtain authorization from the BIA and the Ute Tribal Department of Cultural Rights and Protection.

Before the site is abandoned, the company will be required to restore the well site and ROWs to near their original state. The disturbed areas will be reseeded with desirable perennial vegetation.

Noxious weeds will be controlled on the well site and rights-of-way. If noxious weeds spread from the project area onto adjoining land, the company will also be responsible for their control.

When the reserve pit is dug: if groundwater is encountered then the pit bottom will be placed one foot above the water level. The pit will then be elongated and widened to maintain its original capacity. The Ute Tribe Energy and Minerals Department will be notified of the changes to be made so that a Tribal Technician can monitor the construction of the revised reserve pit.

Reserve pits will be lined with impervious synthetic liners. Liners will be constructed to lay under the mud tanks, and they will be reinforced to prevent the liner from developing holes where fluids flow from the mud tank into the reserve pit. Liners will be at least 10-mil thick minimum. Pits will be fenced and fences will be maintained as described in Coastal's Standard Operating Procedures for their APD's in the Natural Buttes Unit. Prior to backfilling the reserve pit all fluids will be pumped from the pit into trucks and hauled to approved disposal sites. When the pits are backfilled, the surplus oil and mud etc. will be buried a minimum depth of 3.0 feet below the surface of the soil. Reserve pit liners will be buried a minimum of 4.0 feet below the surface of the soil.

The flare pit will be adjacent to the reserve pit.

A closed production system will be used. Production fluids will be contained in leak proof tanks. Low profile tanks will be used to minimize problems with irrigation systems. All production fluids will be disposed of at approved disposal sites. The indiscriminate dumping of production fluids on roads, wellsites or other areas will not be allowed.

Upon completion of the project approved under this Application for Permit to Drill and Right-of-way, the Ute Tribe Energy & Minerals Resources Department will be notified by Coastal Oil and Gas Company so that a Tribal Technician can verify Affidavit of Completion's.

UNITED STATES GOVERNMENT
memorandum

RECEIVED

JUL 1 1999

VERNAL UTAH

DATE: July 1, 1999
 REPLY TO: *Acting*
 ATTN OF: Superintendent, Uintah & Ouray Agency

SUBJECT: APD Concurrence for Coastal Oil & Gas Corporation

TO: Bureau of Land Management, Vernal District Office
 Attn: Minerals and Mining Division

We recommend approval of the Application for Permit to Drill (APD) for a drillsite, access road, and pipeline, with required stipulations:

**ROW H62-99-119- McCook 1-66, SW/4 of Sec. 36, T8S, R21E
 & the NW/4 of Sec. 1, T9S, R21E., SLB&M
 (Wellsite, Access Road)**

Based on available information received on 04/15/99, the proposed location was cleared in the following areas of environmental impact.

YES		NO	X	Listed threatened or endangered species
YES		NO	X	Critical wildlife habitat
YES		NO	X	Archaeological or cultural resources
YES		NO		Air quality aspects (to be used only if Project is in or adjacent to a Class I area)

Enclosed is a copy of the BIA's Environmental Analysis (EA). Please refer to Item 6.0 for Mitigation Stipulations.

REMARKS: The Ute Tribe Energy & Minerals (E&M) Department also requires that all companies adhere to the following criteria, during and after, all phases of construction activities.

- The Ute Tribe Energy and Minerals Department is to be notified in writing of any changes are made to original application and rights-of-way. Approved changes will be provided in writing from the Ute Tribe.**
- The Ute Tribe Energy and Minerals Department will be notified 48 hours, in writing, in advance to any construction activity. The Ute Tribe office days are Monday to Thursday.**
- Diversion ditches and culverts to be constructed as to divert seasonal and sudden run-off.
- If drillsite is a dryhole, PAD marker to be buried, approximately 4 feet in depth.
- Pipeline ROW will not be used as an access road.
- All access roads will be granted in accordance with BIA mitigative stipulations.
- Reserve pit liners will be 10-mil thick minimum. Upon backfilling the liners will be buried a minimum of 4 feet deep. **Tribal Technician to be notified and monitor back filling of reserve pits. Immediate reseeding and rehab.**
- Culverts and Cattle guards will be installed where required.
- Coastal has agreed to closed production system.

10. Coastal Oil & Gas will assure the Ute Tribe that any or all contractors/subcontractors has acquired a 1999 Tribal Business License and have an access permits prior to construction.
11. All mitigative stipulations contained with BIA EA-Environmental Analysis will be strictly adhered, unless specific adhered, unless specific written approval from BIA or Tribe has been given.
12. All entities representing Coastal Oil & Gas will have approved "Authorization to Construct" at construction site at all time. (Will have approval from BIA)
13. All vehicular traffic, personnel movement, construction and restoration operations should be confined to the areas examined, as referenced in report, and to the existing roadways and/or evaluated access routes.
14. All personnel should refrain from collecting artifacts and from disturbing any significant cultural resources in the area.
15. The personnel from the Ute Tribe Energy and Minerals Department should be consulted should cultural remains from subsurface deposits be exposed or identified during construction.
16. Upon completion of the APD and corridor ROW's, the Ute Tribe Energy & Minerals Department will be notified by Coastal Oil & Gas Corporation, so that a Tribal Technician can verify the Affidavit of Completions.

Acting
Supt
Allen Floyd

SITE SPECIFIC PRIVATE ENVIRONMENTAL ASSESSMENT

1.0 - PROPOSED ACTION

Coastal Oil & Gas is proposing to drill a well , the McCook # 1-66.and to construct 2093.26' feet of access road right-of-way and approximately 1691.59' feet of pipeline right of way This project will be constructed along disturbed and undisturbed area a moderate amount of surface disturbance will occur. There will be some native vegetation which will encroach on the rights -of-way which will be bladed off the road, but left as is on the surrounding areas in order for the vegetaion to grow back as close to natrual. All pipelines must adhere to mitigation stipulated in 6.0, D-E

2.0 - ALTERNATIVE ACTIONS

- A. ALTERNATIVE CONSIDERED: The proposed action is the preferred alternative.
- B. NO ACTION: Under the no action alternative the proposed action would not be implemented.
- C. OTHER: NA

3.0 - PERMITTEE/LOCATION

Permittee	Coastal Oil & Gas
Date	04-15-99
Well number	McCook #1-66
Right-of-way	Access Road R.O.W 2039.26' feet. Pipeline R.O.W 1691.59' feet
Site location	SW1/4 Sec.36 T8S R21E & NW ¼ Sec 1 T9S R21E S.L.B.&M

4.0 - SITE SPECIFIC SURVEY

A. SITE DESCRIPTION

1. Elevation (feet)	4692
2. Annual precipitation (inches)	4 to 6
3. Topography	Rolling hills
4. Soil	(0 to 6") sandy loam having a rapid water intake rate and permeability.
5. Estimate Infiltration Rage	Moderate

B. VEGETATION

1. Habitat type is:	semi desert scrub
2. Percent Ground Cover:	estimated to be 30%.
3. Vegetation consists of:	40% grasses Main variety of grasses are desert needlegrass, Indian ricegrass, galletta, squirrel tail , cheat grass,
	50% scrubs; prickly pear, spiny hopsage, rabbit brush, fourwing salt bush, spiny horse brush, grease wood, and snake weed, Sand sage, wild Buckwheat
	10% forbs, annuals
4. Observed T&E species:.	None
5. Potential For T&E species:	Slight
6. Observed Noxious Weeds:	None

C. AFFECTED ENVIRONMENTAL

1. There are no surface damages as a result of the initial survey.

4.1 - WILDLIFE

A. POTENTIAL SITE UTILIZATION

1. Big Game	Big Game & Feral Horses-The area is used year around by horses and antelope.
2. Small Game	The area is used by cottontail rabbit, morning dove
3. Raptors	Golden eagles, Marsh hawk, Redtail hawk, Prairie falcon, & Kestrel
4. Non-Game Wildlife	Animal species which have been observed using this area are coyote, fox, badger, and various species of reptiles, and song birds
5. T&E Species	No T&E species are reported using the area of this project.

4.2 - PRESENT SITE USE

A. USAGE

	Acres
Rangeland	4.73
Woodland	0
Irrigable land	0
Non-Irrigable land	4.73
Commercial timber	0
Floodplain	0
Wetland	0
Riparian	0
Other:	0

4.3 - CULTURAL RESOURCES

A. CULTURAL SURVEY

The well site, and access road and pipeline rights-of-ways had a cultural resource survey performed by Montgomery Archaeological Consultants Inc.

5.0 - ENVIRONMENTAL IMPACTS

A. SURFACE ALTERATIONS:

	Acres
1. Access road	1.442
2. Well site	2.129
3. Pipeline right-of-way	1.165
4. Total area disturbed	4.73

B. VEGETATION/LANDSCAPE

1. Production loss (AUM's)/year:	0.31
2. Permanent scar on landscape (yes or no):	Yes
3. Potential impacts to T&E species (yes or no):	No

C. SOIL/RANGE/WATERSHED

There will be an increase in wind and water erosion as a result of removing vegetation and exposing the soil from construction of the wellsite and access road. This will increase water runoff and the soil will remain exposed causing erosion to continue for the life of the well, and until the site is rehabilitated.

Within 90 days after the well is completed excess fluids will be removed from the reserve pits and hauled to an approved disposal site, and the pits will be backfilled.

The area is presently used as rangeland and permits have been issued by BIA for grazing livestock. This project will reduce livestock grazing by approximately 0.31 AUM/ year.

The area is not used as irrigated cropland and a water right has not been designated for the area.

6.0 - MITIGATION STIPULATION

A. VEGETATION/LANDSCAPE

1. Before the site is abandoned the company will be required to restore the well pad, and access road to near their original state. The disturbed area will be reseeded with desirable perennial vegetation.

2. Noxious weeds will be controlled on all well sites and rights-of-way. If noxious weeds spread from the well sites or rights-of-way onto adjoining land, the company will also be responsible for their control.

B. SOILS/RANGE/WATERSHEDS

1. Soil erosion will be mitigated by reseeding all disturbed areas.
2. Approximately 17 rods of fence will be constructed around the reserve pit until it is back filled.
3. Loading of the soil and geological formations from pollutants from disposed water and other oil field by-products will be mitigated by requiring the oil company to:

- a) Using an open drilling system. This means that reserve pits will be lined with impervious synthetic liners. Prior to back-filling the reserve pit all fluids will be pumped from the pit into trucks and hauled to approved disposal sites. When the reserve pits are back-filled the surplus oil and mud, etc. will be buried a minimum of 3.0 feet below the surface of the soil.
- b) A closed system will be used during production. This means that production fluids will be contained in leak proof tanks. All production fluids will be disposed of at approved disposal sites.
- c) Production water, oil, and other by-products will not be applied to roads or well pads for the control of dust or weeds. Indiscriminate dumping of oil field by-products on tribal lands will not be allowed.

C. ACCESS ROADS

Although the access road right-of-way is 30 feet wide, the constructed travel width of the access road shall be limited to 18 feet, except it may be wider where sharp curves, deep cuts and fills occur, or where intersections with other roads are required.

D. SURFACE PIPELINES

Surface pipelines will be constructed to lay on the soil surface, and the right-of-way will not be blades or cleared of vegetation without site specific authorization from BIA.

Where surface pipelines do not parallel roads but cross country between stations, they shall be welded in place at wellsites or on access roads and then they shall be pulled between stations with a suitable piece of equipment. Traffic will be restricted along these areas so that the pipeline right-of-way will not be used as an access road.

E. BURIED PIPELINES

Buried pipelines shall be buried a minimum of 3.0 feet below the soil surface. After construction of the pipeline is completed the disturbed area of the right-of-way shall be contoured to blend into the natural landscape, and it shall be reseeded with desirable vegetation .

Between September 15 and November 1 of the year following pipeline construction all disturbed areas shall be reseeded with perennial vegetation according to BIA, or Ute Tribe specification.

F. WILDLIFE/VEGETATION/THREATENED & ENDANGERED SPECIES

No Threatened & Endangered species have been identified associated with this project. Therefore, no stipulations have been developed for their protection.

The operator, their employees, sub-contractor, and representatives shall not carry firearms on their person or in their vehicles while working on the Uintah & Ouray Indian Reservation.

G. CULTURAL RESOURCES

1. All vehicular traffic, personnel movement, construction and restoration operations shall be confined to the flagged areas and corridors examined as referenced in the cultural resource survey.

2. All personnel and their sub-contractors shall refrain from collecting artifacts and from disturbing any cultural resources in the area.

3. Authorized officials and their sub-contractors shall immediately stop construction activities and shall consult with BIA and the Ute Indian Tribal Department of Energy & Minerals should cultural remains from subsurface deposits be exposed during construction work or if the need arises to relocate or otherwise alter the location of the construction area. (Construction activities may resume in areas outside of the area where cultural resources are not exposed.) Prior to commencing constructing in the area where cultural resources are exposed the operator must obtain authorization from BIA and the Ute Tribal Department of Cultural Rights and Protection.

7.0 - UNAVOIDABLE ADVERSE IMPACTS

A. SURFACE ALTERATIONS

None of the adverse impacts listed in 5.0 above can be avoided in a practical manner except those which are mitigated in item 6.0 above and those specified in BLM's 13 point surface use plan.

B. RELATIONSHIP BETWEEN SHORT-TERM USE OF THE ENVIRONMENT VS LONG TERM PRODUCTIVITY.

1. Short Term: (Estimated 20 years) A total loss of production on the land and the associated environmental impacts will continue to influence the surrounding area for the productive life of the well.

2. Long Term: Standard policies provide for rehabilitation of the well sites and access roads. After the land is rehabilitated, it is not expected to return to its original productive capability. Normally, there will be a permanent scar left on the landscape.

C. IRREVERSIBLE AND IRRETRIEVABLE COMMITMENT

Oil and Gas are non-renewable resources, once they have been removed they can never be replaced.

8.0 - CUMULATIVE IMPACTS

A. FULL DEVELOPMENT

Each additional well drilled for development increases the soil erosion potential, reduces wildlife habitat and grazing, increases potential soil and geologic pollution resulting from salt loading, reduces the soil's potential to recover, and increases the potential of water pollution from produced waters and hydro-carbons. Therefore, strict conformance with the mitigation measures and recommendations in this document is emphasized to minimize the adverse environmental impacts.

9.0 - NEPA COMPLIANCE

A. RESEARCH/DOCUMENTATION

Based on available information, 04-15-99, the proposed location in the following areas of environmental impacts has been cleared:

(Yes or No)

Listed Threatened & Endangered species	No
Critical wildlife habitat	No
Historical and cultural resources	No
Flood Plains	No
Wetlands	No
Riparian Areas	No

10.0 - REMARKS

A. SURFACE PROTECTION/REHABILITATION

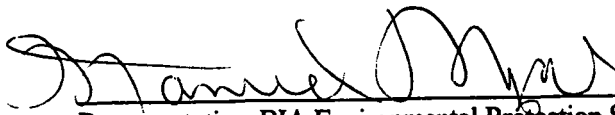
All essential surface protection and rehabilitation requirements are specified above.

11.0 - RECOMMENDATIONS

A. APPROVAL/DISAPPROVAL

We recommend approval of the proposed action as outlined in item 1.0 above.

Date: 6-20-99

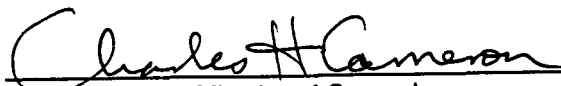

Representative, BIA Environmental Protection Specialist
Uintah and Ouray Agency

12.0 - DECLARATION

A. APPROVAL

It has been determined that the proposed action is not a federal action significantly affecting the quality of the environment as it would require the preparation of an environmental impact statement in accordance with Section 102 (2) (c) of the National Environmental Policy Act of 1969 (42 USC 4331) (2) (C).

Date: 6/21/99


Superintendent, Uintah and Ouray Agency

13.0 - CONSULTATION

A. REPRESENTATIVES/ORGANIZATION

Paul Breashears- Coastal Oil & Gas.
Greg Darlington- BLM.
Robert Kay-UELS
Ron Roath - Coastal Oil & Gas

Alvin Ignacio- UTEM
Manuel Myore-BIA
Carroll Wilson-Coastal Oil & Gas

Jim Justice-J&R Const.
Harley Jackson-Jackson Const.
John Fausett-Fausett Const.

EA.Coastal Oil & Gas McCook #1-66

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

X			
	1		

INDIVIDUAL WELL RECORD

Sec. 1
T. 9S
R. 21E
Mer. SLB
Ref. No. _____

Date 8 July 1999

INDIAN

Lease No. 1420H623013 -
Lessee _____
Operator COASTAL OIL & GAS CORPORATION
Well Name & No. MCCOOK 1-66
A.P.I. Well No. 430473333600X1
Location 618FNL and 689FWL
Bond (NONE)
Date Drilling Approved 07/06/1999
Date Drilling Commenced _____
Date Drilling Ceased _____
Date Completed for Production _____
Date Abandonment Approved (Final) _____

State UT
County UINTAH
Field NATURAL BUTTES
Unit/CA UTU76246 - CA UTU76246
District VERNAL FIELD OFFICE
Subdivision L4
Right of Way (NONE)
Well Elevation _____
Total Depth (missing)
Initial Production (no test recorded)
Gravity A.P.I. 0.00
Initial Reservoir Pressure 0.00

GEOLOGIC FORMATIONS

SURFACE (unspecified) LOWEST TESTED (unspecified)
Surface Management Agency BIA
Mineral Ownership 100.00
Lease Expiration _____

PRODUCTIVE HORIZONS

NAME DEPTHS CONTENTS

WELL STATUS

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
1999				APD			AAPD					

First Prod. Memo _____ Lease Ext. Memo _____ Confirmation _____

REMARKS

DATE TYPE REMARK

ENTITY ACTION FORM - FORM 6

OPERATOR Coastal Oil & Gas Corporation

OPERATOR ACCT. NO. N 0230

ADDRESS P.O. Box 1148

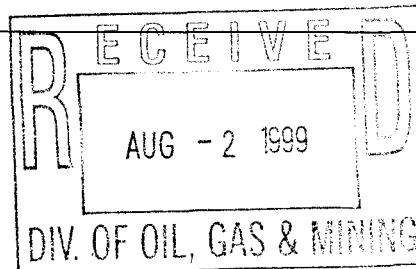
Vernal UT 84078

ACTION CODE	CURRENT ENTITY NO.	NEW ENTITY NO.	API NUMBER	WELL NAME	WELL LOCATION					SPUD DATE	EFFECTIVE DATE
					QQ	SC	TP	RG	COUNTY		
	12539 99999		43-047-33309	Ouray #6-82	NWSW	6	9S	21E	Uintah	7/4/99	7/4/99
WELL 1 COMMENTS: Spud @ 10:00 a.m. on 7/4/99 w/ Bill Martin <i>entity already added.</i>											
CONFIDENTIAL											
A	99999	12561	43-047-33336	McCook #1-66	NWNW	1	9S	21E	Uintah	7/24/99	7/24/99
WELL 2 COMMENTS: Spud @ 8:00 a.m. on 7/24/99 w/ Bill Martin <i>990803 entity added. KDR</i>											
A	99999	12562	43-047-33289	Ouray #32-70	SWSE	32	8S	21E	Uintah	7/25/99	7/25/99
WELL 3 COMMENTS: Spud @ 12:30 p.m. on 7/25/99 w/ Bill Martin <i>990803 entity added. KDR</i>											
WELL 4 COMMENTS:											
WELL 5 COMMENTS:											

ACTION CODES (See instructions on back of form)

- A - Establish new entity for new well (single well only)
- B - Add new well to existing entity (group or unit well)
- C - Re-assign well from one existing entity to another existing entity
- D - Re-assign well from one existing entity to a new entity
- E - Other (explain in comments section)

NOTE: Use COMMENT section to explain why each Action Code was selected.



Cheryl Cameron
Signature Cheryl Cameron

Environmental Analyst

Title

Date

7/29/99

Phone No. (435) 781-7023

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-0135
Expires July 31, 1996

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. 14-20-H62-3013
2. Name of Operator Coastal Oil & Gas Corporation		6. If Indian, Allottee or Tribe Name Ute
3a. Address P.O. Box 1148, Vernal UT 84078	3b. Phone No. (include area code) (435) 781-7023	7. If Unit or CA/Agreement, Name and/or No. N/A
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) NW/NW Sec. 1, T9S, R21E 618' FNL & 68 9' FWL		8. Well Name and No. McCook #1-66
		9. API Well No. 43-047-33336
		10. Field and Pool, or Exploratory Area Quary
		11. County or Parish, State Uintah UT

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

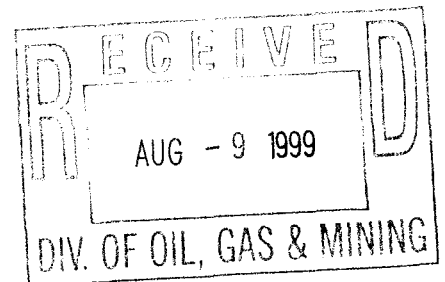
TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other Spud
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the final site is ready for final inspection.)

MIRU Malcon's Drilling & drilled 88' of 18" hole. Run 88' of conductor. Cmt w/110 sks P-AG w/2% CaCl & 1/4# sk Flocele. Wt 15.6, Yield 1.18.

MIRU Bill Martin & drill 925' of 12 1/4" hole. Run 21 jts 8 5/8 24# K-55, Cmt w/350 sks P-AG w/2% CaCl + 1/4# sk Flocele. Wt.15.6, Yield 1.18. Displace w/55 BW. Hole stayed full.

Spud @ 8:00 a.m. on 7/24/99.



14. I hereby certify that the foregoing is true and correct Name (Printed/Typed) Katy Dow	Title Environmental Secretary
<i>Katy Dow</i>	Date 8/2/99

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by	Title	Date
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.	Office	

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.



United States Department of the Interior
BUREAU OF INDIAN AFFAIRS
Uintah and Ouray Agency
P. O. Box 130
988 South 7500 East
Fort Duchesne, Utah 84026-0130
(801) 722-4300

Mail to: Gil Hunt Lisha
Dept of Natural Resources
Division Oil, Gas, & Mining
Suite 1210
Box 145801
1594 West North Temple
Salt Lake City, UT 84114
-5801

IN REPLY REFER TO:
Minerals and Mining
(435) 722-4310

September 21, 1999

RE: Resolution of Spacing in Section 1,
T9S, R21E; Ouray Field, Uintah County

Malook 1-66-43-047-33336 (DRI)

G.L. (Len) Miles, Jr.
Land Manager/Rockies
Coastal Oil & Gas Corporation
Coastal Towers
9 Greenway Plaza
Houston, Texas 77046-0995

Roland O. McCook, Chairman
Ute Indian Tribe
P.O. Box 190
Fort Duchesne, Utah 84026

Robert A. Henricks, Chief
Branch of Fluid Minerals
Bureau of Land Management
Utah State Office
324 South State Street, Suite 301
Salt Lake City, Utah 84111-2303

Gentlemen:

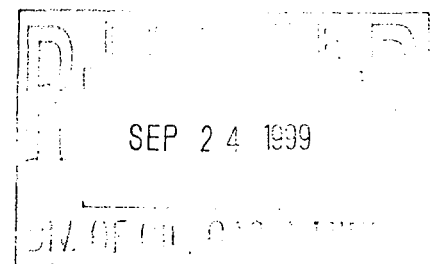
Please find enclosed the fully executed agreement as stated above. This agreement should solve all problems as related to the particular properties, and assure us that no properties are held-by-production without actually receiving their fair royalty shares. I appreciate the cooperation and consideration of all parties.

Respectfully,

Charles H. Cameron

Acting Superintendent

CC: chrono *well/lease file*





Coastal
The Energy People

August 23, 1999

The Ute Indian Tribe
P. O. Box 190
Fort Duchesne, Utah 84026
Attention: Mr. Ferron Secakuku

United States Department of Interior
Bureau of Indian Affairs
Uintah and Ouray Agency
P. O. Box 130
Fort Duchesne, Utah 84026-0130
Attention: Mr. David Allison

United States Department of Interior
Bureau of Land Management
Utah State Office
P. O. Box 45155
Salt Lake City, Utah 84145-0155
Attention: Mr. Robert A. Henricks

Re: Resolution of Spacing in Section 1, T9S-R21E; Ouray Field; Uintah County, Utah

Gentlemen:

On July 9, 1999, representatives of The Ute Indian Tribe (The Tribe), the Bureau of Land Management (BLM), the Bureau of Indian Affairs (BIA), Enron Oil & Gas Company (Enron) and Coastal Oil & Gas Corporation (Coastal) met in Vernal to discuss resolution of the spacing issues relating to an overlap between the Natural Buttes Unit and the Ouray area field rules. At that meeting it was decided that, subject to final approval of The Tribe, BLM, BIA and Coastal, the parties would enter into an agreement outlining under what conditions the parties would support the vacating of the spacing in the S/2 of Section 1, Township 9 South-Range 21 East, and the respacing of the N/2 and N/2S/2 of the section.

Coastal hereby proposes the following provisions to set out the agreement between the parties:

Coastal Oil & Gas Corporation

A SUBSIDIARY OF THE COASTAL CORPORATION
COASTAL TOWER • 4015 GREENWAY PLAZA • HOUSTON TX 77046-0995 • 713.877.1400

1. As a result of the July 9, 1999, meeting, Coastal made application to Utah Board of Oil, Gas and Mining (BOGM) on Monday, July 12, 1999, to respace N/2 and N/2S/2 of Section 1, T9S-R21E, as a 480 acre spacing unit, with 12 wells permitted to Wasatch/Mesaverde formations, wells being 460' off spacing unit exterior boundaries and no closer than 920' to another well. The N/2 and the N/2S/2 of Section 1 will hereafter be referred to as the Newly Spaced Area, or NSA. BLM, BIA, and The Tribe will appear at the hearing scheduled for August 25th to support the respacing application.
2. If Utah BOGM approves the application, The Tribe, BLM, BIA and Coastal agree to communitize the NSA as to the Wasatch/Mesaverde formations, effective as of the date of first production from the Wasatch/Mesaverde formation in the Tribal 1-54 well. Coastal will submit, and The Tribe, BLM and BIA will approve, a new Communitization Agreement covering the NSA, or in the alternative, at the direction of the BIA, the current Communitization Agreement will be amended to cover the NSA. Further, in conjunction with the foregoing, the parties agree to terminate that certain Communitization Agreement UTU 76246 dated August 22, 1997, covering the N/2 of Section 1, if a new Communitization Agreement is formed. Concurrent with approval of the new (or amended) Communitization Agreement, BLM will withdraw its request to communitize the S/2 of Section 1, as requested in its letter of March 17, 1999. 43-047-32467
(Sec. 1, 9S, 21E)
P6W
3. Coastal has recently completed the Tribal 1-54 well in Lot 2 (aka NWNE) of Section 1 in the Wasatch/Mesaverde formations, and is currently drilling the McCook 1-66 in Lot 4 (aka NWNW) of Section 1. Both wells will be subject to the Communitization Agreement from date of first production from the Wasatch /Mesaverde formations once it is approved. Coastal has staked two additional wells in the NSA, and has filed Applications for Permit to Drill for the additional wells. BIA and BLM will timely review the applications and, where applicable under the regulations, issue permits necessary to allow Coastal to drill the wells. 43-047-33336
(Sec. 1, 9S, 21E)
Dr.
4. In the event cumulative production from the NSA attributable to leases 14-20-H62-3014 and 14-20-H62-4729 does not equal or exceed 121 million cubic feet (mmcf) of gas by July 8, 2001, or such later date as provided for in Paragraph 7, Coastal will pay to the BIA for the account of the Allottees of the leases an amount equal to 17.33% of the difference between 121 mmcf and the cumulative production from the NSA times \$1750 per mmcf. For example, if the cumulative production attributable to the leases is 100 mmcf, then Coastal would pay the BIA \$6368.78, calculated as follows:

$$(121\text{mmcf}-100\text{mmcf}) \times 17.33\% \times \$1750 = \$6368.78$$

43-047-30473
(Sec. 1, 95, 21E)
P6a

5. The payment of amounts in Paragraph 4 is consideration to ensure further development by Coastal on the NSA and is not in settlement of any obligation or claim asserted by the BLM, BIA, or allottees to participation rights in the Natural Buttes Unit ~~52-1B Well~~. The Tribe and BIA, on behalf of themselves, the Allottees and their beneficiaries, heirs, representatives, successors and assigns waive any claim and disclaim any rights they may have to past and future participation in the Natural Buttes Unit 52-1B Well. The Tribe and BIA, on behalf of themselves, the Allottees and their beneficiaries, heirs, representatives, successors and assigns, hereby release, discharge, indemnify and hold harmless Coastal, its officers, directors, employees, agents, parent or affiliates, successors and assigns, and all other owners who participate in the Natural Buttes Unit 52-1B Well, from any and all liability, damages, costs, fees (including attorney fees), expenses, demands, causes of action arising from or relating to claims for payment for production from the Natural Buttes Unit 52-1B Well and for any claim arising from or relating to spacing and overlap between the Natural Buttes Unit and Ouray field rules. Further, The Tribe and BIA, on behalf of themselves, the Allottees and their beneficiaries, heirs, representatives, successors and assigns, agree that Coastal and all other owners who participate in the Natural Buttes Unit 52-1B Well, or their predecessors are not now deemed to be, nor by operation of the Natural Buttes Unit 52-1B Well as part of the Natural Buttes Unit and not as part of the purported drilling unit established by the BOGM have been, in violation of any statutes, rules, regulations, or laws pertaining to cooperative development of the lands constituting the S/2 of Section 1.

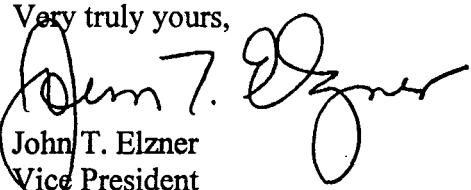
6. Likewise, the BLM hereby releases, discharges, indemnifies and holds harmless Coastal, its officers, directors, employees, agents, parents or affiliates, successors and assigns and all other owners who participate in the Natural Buttes Unit 52-1B Well, from any and all liability, damages, costs, fees (including attorney fees), expenses, demands, causes of action arising from or relating to spacing and overlap between the Natural Buttes Unit and Ouray field rules. Further, the BLM agrees that Coastal and all other owners who participate in the Natural Buttes Unit 52-1B Well, or their predecessors are not now deemed to be, nor by operation of the Natural Buttes Unit 52-1B Well as part of the Natural Buttes Unit and not as part of the purported drilling unit established by the BOGM have been, in violation of any statutes, rules, regulations, or laws pertaining to cooperative development of the lands constituting the S/2 of Section 1.

7. In the event APD's and Permissions to Construct are not approved by October 31, 1999 for not less than 2 new wells in the NSA, the time period for calculating cumulative production provided for in Paragraph 4 shall be extended by the number of days between October 31, 1999, and the day the required permits for new wells are issued to Coastal. For example, if the permits are not issued until December 31, 1999, then the date for calculating cumulative production from the NSA shall be extended from July 8, 2001 to September 8, 2001. If Coastal is rendered unable, in whole or in part, by Force Majeure to carry out its obligations under this Agreement, then the time period provided for in Paragraph 4 shall be suspended during, but no longer than, the continuance of the Force Majeure. Coastal shall use reasonable diligence to remove the Force Majeure situation as quickly as practicable. The requirement that any Force Majeure shall be remedied with reasonable diligence shall

not require the settlement of strikes, lockouts, or other labor difficulty by Coastal, contrary to its wishes. The manner in which such difficulties are handled shall be entirely within the discretion of Coastal. The term "Force Majeure", as here employed, shall mean an act of God, strike, lockout, or other industrial disturbance, act of public enemy, war, blockade, public riot, lightning, fire, storm, flood, explosion, governmental action, governmental delay, restraint or inaction, unavailability of equipment, loss or failure of markets, and any other cause, whether of the kind specifically enumerated above or dissimilar, which is not within Coastal's control.

Please indicate your agreement with the above by signing and returning three originals to Coastal. Should you have any questions, please contact Len Miles at (713) 418-5411 at your earliest convenience.

Very truly yours,


John T. Elzner
Vice President

Accepted and Agreed to this 31st day of August, 1999.
THE UTE INDIAN TRIBE

BY: [Signature]
TITLE: Business Committee Chairman

Accepted and Agreed to this 20th day of September, 1999.
UNITED STATES DEPARTMENT OF INTERIOR
BUREAU OF INDIAN AFFAIRS

BY: [Signature]
TITLE: Acting Superintendent

Accepted and Agreed to this 14 day of September, 1999.
UNITED STATES DEPARTMENT OF INTERIOR
BUREAU OF LAND MANAGEMENT

BY: [Signature]
TITLE: CHIEF, BRANCH OF FLUID MINERALS

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-0135
Expires July 31, 1996

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

5. Lease Serial No.

14-20-H62-3013

6. If Indian, Allottee or Tribe Name

Ute

7. If Unit or CA/Agreement, Name and/or N/A

8. Well Name and No.

McCook #1-66

9. API Well No.

43-047-33336

10. Field and Pool, or Exploratory Area
Ouray

11. County or Parish, State

Uintah County Utah

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

Coastal Oil & Gas Corporation

3a. Address

P.O. Box 1148, Vernal UT 84078

3b. PhoneNo. (include area code)

(435)-781-7023

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

NWNW Sec.1, T9S, R21E 618' FNL & 689' FWL

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

☒ Notice of Intent

☐ Subsequent Report

☐ Final Abandonment Notice

TYPE OF ACTION

☐ Acidize

☐ Deepen

☐ Production (Start/Resume)

☐ Water Shut-Off

☐ Alter Casing

☐ Fracture Treat

☐ Reclamation

☐ Well Integrity

☐ Casing Repair

☐ New Construction

☐ Recomplete

☒ Other Completion

☐ Change Plans

☐ Plug and Abandon

☐ Temporarily Abandon

Report

☐ Convert to Injection

☐ Plug Back

☐ Water Disposal

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximated duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the final site is ready for final inspection.)

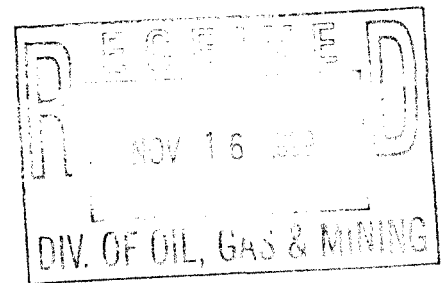
Please refer to the attached Chronological well summary.

Placed on production on 9/25/99.

COPY SENT TO OPERATOR

Date: 11-10-99
Initials: CHO

Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY



14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

Sheila Upchego

Title

Environmental Secretary

Date 11/10/99

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Federal Approval of this

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

None is Necessary

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on reverse)

COASTAL OIL & GAS CORPORATION
CHRONOLOGICAL HISTORY

McCOOK #1-66

OURAY FIELD
UINTAH COUNTY, UT
WI: AFE: 11334
TD: PBSD: 8,650'
PERFS:
CSG: 5.5 17# N-80 @ 8,700'
COMPL DRILLING COST: \$562,190

DRILL & COMPLETE

- 9/4/99 RIH W/TBG.** ROAD RIG TO LOC & SPOT EQUIP. HAUL ROCK & DIRT & BLADE OFF. MIRU. ND WH, NU BOP'S. RU FLOOR & TBG EQUIP. PU 4 3/4" MILL & 5 1/2" CSG SCRAPER. PU & RIH ON 2 3/8" TBG. EOT - 6,075'. SWIFN. (DAY 1) TC:\$568,241
- 9/5/99 LOG & PERF.** PU & RIH W/2 3/8" TBG. TAG FILL @ 8,6109'. RU SWIVEL & CO TO FC @ 8,650'. CIRC HOLE W/190 BBLS 2% FILTERED KCL. RD SWIVEL & POOH W/2 3/8" TBG. LD MILL & CSG SCRAPER. RU CUTTERS & RIH W/CBL/CCL/GR LOG. LOG GR/CCL F/8,654' TO 5,100'. LOG CBL/CCL/GR F/400' TO 50' W/1,500#. TOC @ 190'. PRESS TEST CSG TO 4,900#. HOOK UP 8 5/8 - 5 1/2" ANNULUS & PRESS UP TO 900# W/1/2 BBL. RIH W/4" GUN & PERF. 0.39 GRAM, 0.46 EHD, 120' PHASING, 1 SPF, F;8,590' - 95', 8,512' - 16', 8,468' - 70', 8,338' - 43', 8,274' - 78', 8,114' - 18'. NO PRESS INC. FL - SURF. HAD 4 MISS FIRES & CUT OFF 500' LINE & REHEAD CCL W/1ST RUN. POOH & RD. SWI UNTIL TUESDAY A.M. (DAY 2) TC:\$572,366
- 9/8/99 ACIDIZE.** SICIP - 640#. BLOW WELL DWN. PU NC & RIH W/2 3/8" TBG. EOT - 8,593'. RU & SPOT 500 GALS 15% HCL ACROSS PERFS F/8,114' TO 8,595'. POOH W/2 3/8" TBG. EOT - 7,960'. SPOT 1,000 GALS 15% HCL & 5 BBLS 2% KCL & 36 - 1.1 SG BALL SEALERS. S.I. & BREAK DWN PERFS W/3,857# @ 3.1 BPM W/58 BBLS 2% KCL. ISIP - 1,804#. 5 MIN - 1,577#. MP - 4,715#, MR - 4.6 BPM. AP - 4,575#, AR - 3.9 BPM. SURGE BALLS. EST INJ RATE W/4 BBLS @ 4,045# @ 5 BPM. ISIP - 1,596#. TOTAL LOAD - 98 BBLS. POOH W/2 3/8" TBG. RD FLOOR & EQUIP. ND BOP'S, HOOK INTO FLOW BACK TANK. SWIFN. W.O. FRAC. (DAY 3) TC:\$581,818
- 9/9/99 FRAC MESA VERDE PERFS F/8,114' TO 8,595' W/60,600# (PLANNED 86,150#).** 20/40 SAND W/SAND WEDGE ADDITIVE. SCREENED OUT. ISIP - 4,892#. MTP - 5,000#, ATP - 3,344#, MTR - 62.4 BPM, ATR - 42.6 BPM. TL - 663 BBLS. SET CBP @ 7,580'. PERF WASATCH F/7,524' TO 7,530', 4 SPF, 24 HOLES. BREAK DWN PERFS W/3,410# @ 5 BPM. FRAC W/25,800# SAND IN FORM, (PLANNED 26,000), 20/40 SAND WEDGE. ISIP - 5,100#. MTP - 5,276#, ATP - 2,332#, MTR - 31.3 BPM, ATR - 21.5 BPM. SCREENED OUT. TL - 330 BBLS. SET CBP @ 7,130'. PERF WASATCH F/ 7,090' TO 7,095', 4 SPF, 20 HOLES. BREAK DWN PERFS W/4,053# @ 5 BPM. FRAC W/26,000# 20/40 SAND W/SAND WEDGE. ISIP - 1,595#. MTP - 4,053#, ATP - 1,850#, MTR - 22.5 BPM, ATR - 20.4 BPM. TL - 328 BBLS. SET CBP @ 6,600'. PERF WASATCH F/6,548' TO 6,552' & 6,507', 6,512' 6,491' TO 6,494', & F/6,465' TO 6,468', 1 SPF, 15 TOTAL HOLES. BREAK DWN W/1,828# @ 5.1 BPM. FRAC W/65,000#, 20/40 SAND W/SAND WEDGE. ISIP - 1,513#, MTP - 2,557#, ATP - 1,600#. MTR - 37.5 BPM, ATR - 31.8 BPM. TL - 578 BBLS. RIH & SET CBP @ 6,300'. PU & RIH W/4 3/4" BIT & 2 7/8" TBG TO 6,227'. (DAY 4) TC:\$694,382
- 9/10/99 FLOW WELL TO TANK.** RU SWIVEL & AIR FOAM UNIT. BREAK CIRC W/AIR FOAM. DRILL BP'S @ 6,300', 6,600', 7,130' & 7,580'. CO SAND F/8,510' TO 8,643' (PBSD). POOH W/TBG & LAND @ 6,415'. CLOSE TBG RAMS & BUILD FLOW LINE TO TANK. SDFD W/RIG CREW & LEAVE WELL FLOWING TO TANK. SICIP - 540# TO 1,050#, FTP - 160# TO 580#, 900 MCFD, REC 188 BBLS. LLTR - 945 BBLS. (DAY 5) TC:\$717,833
- 9/11/99 PREP TO PERF.** FLOWED 24 HRS. REC 143 BBLS ON 20/64 CK. SICIP - 820#. FTP - 560#. EST RATE - 1,000 MCFPD. PREP TO KILL WELL & POOH W/2 3/8" TBG. (DAY 6) TC: \$720,626
- 9/12/99 PREP TO SPOT ACID & BREAK DWN.** FLOWED WELL ON 48/64 CK W/SICIP @ 600#, FTP - 140#. REC 20 BBLS. KILLED WELL W/140 BBLS. POOH W/TBG. RIH & SET CBP @ 6,420'. FL - 2,400'. PERF F/6,290' - 6,330' & 6,365' - 6,380' @ 4 SPF. RIH W/NC, 7 JTS, HD PKR, XO, 1 JT, & SN. EOT - 5,676'. S.I. UNTIL MONDAY. (DAY 7) TC:\$720,626
- 9/14/99 PREP TO PERF.** RIH W/5 1/2" PKR TO 6,384'. SPOT ACETIC ACID ACROSS PERFS 6,920' TO 6,380'. SET PKR @ 6,038'. BREAK DWN PERFS 6,290' TO 6,380', 300 HOLES, W/2,120# @ 2.4 BPM. ESTABLISH INJ RATE OF 5.3 BPM @ 3,650#. ISIP - 1,490#. 5 MIN - 1,348#, 10 MIN - 1,283#, 15 MIN - 1,231#. FLOW BACK 5 BW, WELL DIED. MADE 4 SWAB TRIPS. IFL - SURF, FFL - 6,010'. REC 27 BW. MADE 1 SWAB TRIP/HR. ENTRY RATE - 3/4 BW. REC 35.5 TOTAL BW (8 BBLS OVER LOAD. (DAY 8) TC:\$737,567

9/15/99 **PREP TO FRAC.**MADE 1 SWAB TRIP. IFL - 4,600'. REC 5 BW, RLS PKR. SPOT 12 BBLS 15% HCL ACROSS PERF INTERVAL 6,046' TO 5,500'. POOH & LD PKR. SET CBP @ 6,100'. PERF WASATCH F/6,046' TO 6,050', 1 SPF, 4 HOLES, 6,020' TO 6,028', 1 SPF, 8 HOLES, 5,970' TO 5,974', 1 SPF, 4 HOLES, & 5,950' TO 5,958', 1 SPF, 8 HOLES, (24 TOTAL HOLES). BREAK DWN PERFS W/1,900# @ 2 BPM, ESTABLISH INJ RATE OF 3 1/2 BPM @ 1,000#.
(DAY 9) TC:\$749,182

9/16/99 **FRAC** WASATCH PERFS 5,950' TO 6,050' W/62,500# 20/40 SAND W/SAND WEDGE & DELTA FLUID. BREAK DWN W/1,165# @ 7.5 BPM. MTP - 1,985#, ATP - 1,754#, MTR - 35.6 BPM, ATR - 34.3 BPM. ISIP - 1,445#, TL - 620 BBLS. SET CBP @ 5,900'. PERF WASATCH F/5,866' TO 5,873', 4 SPF, 28 HOLES. FRAC W/39,700# 20/40 SAND W/SAND WEDGE & DELTA FLUID. BREAK DWN W/2,710# @ 7.4 BPM. MTP - 2,057', ATP - 1,939#, MTR - 22.8 BPM, ATR - 22.5 BPM. ISIP - 1,697#, TL - 542 BBLS. SET CBP @ 5,700'. PERF WASATCH F/5,654' TO 5,660', 4 SPF, 24 HOLES. FRAC W/47,700# 20/40 SAND W/SAND WEDGE & DELTA FLUID. MTP - 2,220#, ATP - 2,059#, MTR - 21.2 BPM, ATR - 19.5 BPM. ISIP - 1,952#, TL - 490 BBLS. SET CBP @ 5,540'. RIH W/4 3/4" BIT & PUP OFF SUB. DO CBP'S @ 5,540', 5,700', 5,900', 6,100' & 6,420'. CO TO PBTD @ 8,640' W/AIR-FOAM. PU & LAND TBG @ 7,818', SN @ 7,788'. RU TO FLOW BACK WELL. (DAY 10) TC:\$881,226

9/17/99 **WELL FLOWING TO TANK** F/RD FLOOR & TBG EQUIP. ND BOPS & NU WH. DROP BALL PUMP BIT OFF F/1150 PSI TO 900 PSI. RD & MO KES # 26. P.U. PU RACK UP EQUIP. TURN WELL OVER FLOW BACK CREW & SDFD W/RIG CREW.
(DAY 11) TC: \$883,751

9/23/99 **PRODUCING TO SALES** FLOWED 3,148 MCF, 40 BW, FTP - 1,200#, CP - 1,525#, 20/64" CK, 24 HRS, LP - 260#. OPENED CK TO 24/64".

9/24/99 - FLOWING 3,671 MCF, 38 BW, FTP - 660#, CP - 1,300#, 30/64 CK. LP - 284#, 24 HRS.
9/25/99 - FLOWING 3,597 MCF, 78 BW, FTP - 630#, CP - 1,120#, 30/64" CK. LP - 284#, 24 HRS.
9/26/99 - FLOWING 3,406 MCF, 72 BW, FTP - 580#, CP - 1,060#, 36/64 CK. LP - 282#, 24 HRS.
9/27/99 - FLOWING 3,303 MCF, 59 BW, FTP - 520#, CP - 1,010#, 64/64 CK, LP - 256#, 24 HRS.
9/28/99 - FLOWED 3,520 MCF, 30 BW, FTP - 690#, CP - 1,150#, 64/64" CK, 24 HRS, LP - 289#.
9/29/99 - FLOWED 3,371 MCF, 25 BW, FTP - 560#, CP - 1,080#, 64/64" CK, 24 HRS, LP - 399#.
9/30/99 - FLOWED 3,294 MCF, 25 BW, FTP - 540#, CP - 1,050#, 64/64" CK, 24 HRS, LP - 407#. (NOTE: VALVE RESTRICTION CAUSING HIGH BACK PRESSURE. REMOVED 9/29/99).

10/1/99 - FLOWED 2,482 MCF, 0 COND., 18 BW, FTP - 500#, CP - 1,075#, 64/64" CK, 19 HRS, LP - 362#. (FLOWED 19 HRS DUE TO PIPE LINE CONSTRUCTION).

10/2/99 - FLOWED 3,253 MCF, 27 BW, FTP - 520#, CP - 960#, 64/64" CK, 24 HRS, LP - 369#.

10/3/99 - FLOWED 3,103 MCF, 20 BW, FTP - 490#, CP - 940#, 64/64 CK, 24 HRS, LP - 364#.

10/4/99 - FLOWED 2,968 MCF, 17 BW, FTP - 490#, CP - 925#, 64/64 CK, 24 HRS, LP - 364#, LLTR - 1,181 BBLS.

FINAL REPORT. IP DATE - 9/25/99 - FLOWED 3,829 MCF, 32 BW, FTP - 760#, CP - 1,220#, 36/64 CK, 24 HRS. LP - 286#

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

FORM APPROVED
Budget Bureau No. 1004-0135
Expires July 31, 1996

5. Lease Serial No.

14-20-H62-3013

6. If Indian, Allottee or Tribe Name

Ute

7. If Unit or CA/Agreement, Name and/or No
N/A

8. Well Name and No.

McCook #1-66

9. API Well No.

43-047-33336

10. Field and Pool, or Exploratory Area

Ouray

11. County or Parish, State

Uintah County Utah

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

Coastal Oil & Gas Corporation

3a. Address

P.O. Box 1148, Vernal UT 84078

3b. Phone No. (include area code)

(435)-781-7023

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

NWNW Sec.1,T9S,R21E 618' FNL & 689' FWL

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

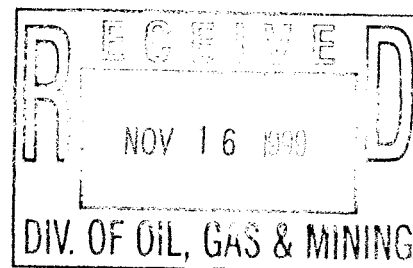
- ☒ Notice of Intent
☐ Subsequent Report
☐ Final Abandonment Notice

TYPE OF ACTION

- | | | | |
|---|---|--|--|
| <input type="checkbox"/> Acidize | <input type="checkbox"/> Deepen | <input type="checkbox"/> Production (Start/Resume) | <input type="checkbox"/> Water Shut-Off |
| <input type="checkbox"/> Alter Casing | <input type="checkbox"/> Fracture Treat | <input type="checkbox"/> Reclamation | <input type="checkbox"/> Well Integrity |
| <input type="checkbox"/> Casing Repair | <input type="checkbox"/> New Construction | <input type="checkbox"/> Recomplete | <input checked="" type="checkbox"/> Other <u>Final</u> |
| <input type="checkbox"/> Change Plans | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon | <u>Drill Report</u> |
| <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Plug Back | <input type="checkbox"/> Water Disposal | |

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the final site is ready for final inspection.)

8/31/99 Ran 193 jts 5 1/2" N-80csg. shoe & float total 8704.67'. Pumped 10 Bbls water ahead of 545 sx lead Hi fill 1/4#/sx flocele 2% FWCA 10#/sx GN 10% Gel 1% HR-7 & 3% Salt wt. 11.6 yield 3.12 1395 sx. Tail 50/50 Poz w/1/4#/sx Flocele .4% Hd 322.2% Gel, 2% Microbond M, 5% Salt wt. 14.4 yield 1.24. Drop plug & Displaced w/ 200 Bbls 3% KCL water filtered. Plug bumped. Float held +/- 50 Bbls Cmt to surface.



14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

Sheila Upchego

Title

Environmental Secretary

Date 11/10/99

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTRECEIVED
SUBMIT IN DUPLICATE

DEC 20 1999

(See other instructions on reverse side)

FORM APPROVED
OMB NO. 1004-0137
Expires: February 28, 1995

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1a. TYPE OF WELL:		OIL WELL <input type="checkbox"/>	GAS WELL <input checked="" type="checkbox"/>	DRY <input type="checkbox"/>	Other _____		
b. TYPE OF COMPLETION:		NEW WELL <input checked="" type="checkbox"/>	WORK OVER <input type="checkbox"/>	DEEP-EN <input type="checkbox"/>	PLUG BACK <input type="checkbox"/>	DIFF. RESVR. <input type="checkbox"/>	Other _____
2. NAME OF OPERATOR Coastal Oil & Gas Corporation						5. LEASE DESIGNATION AND SERIAL NO. 14-20-H62-3013	
3. ADDRESS AND TELEPHONE NO. P.O. Box 1148, Vernal UT 84078 (435)-781-7023						6. IF INDIAN, ALLOTTEE OR TRIBE NAME Ute	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)* At surface NWNW At top prod. interval reported below 618' FNL & 689' FWL At total depth						7. UNIT AGREEMENT NAME N/A	
14. PERMIT NO. 43-047-33336				DATE ISSUED 5/8/99		8. FARM OR LEASE NAME, WELL NO. McCook #1-66	
15. DATE SPUDDED 7/24/99				16. DATE T.D. REACHED 8/29/99		9. API WELL NO. 43-047-33336	
17. DATE COMPL.(Ready to prod.) 9/17/99				18. ELEVATIONS (DF, RKB, RT, GR, ETC.)* 4691.3' GR		10. FIELD AND POOL, OR WILDCAT Ouray	
20. TOTAL DEPTH, MD & TVD 8700'				21. PLUG, BACK T.D., MD & TVD 8650'		11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Sec. 1, T9S, R21E	
22. IF MULTIPLE COMPL., HOW MANY*				23. INTERVALS DRILLED BY →		12. COUNTY OR PARISH Uintah	
24. PRODUCING INTERVAL(S), OF THIS COMPLETION - TOP, BOTTOM, NAME (MD AND TVD)* Refer to Item #37				25. WAS DIRECTIONAL SURVEY MADE No		13. STATE Utah	
26. TYPE ELECTRIC AND OTHER LOGS RUN CBL/CCL/GR 8654' - 5100'						27. WAS WELL CORED No	
28. CASING RECORD (Report all strings set in well)							
CASING SIZE/GRADE		WEIGHT, LB./FT.		DEPTH SET (MD)		HOLE SIZE	
8 5/8"		24#		908'		12/14"	
5 1/2"		17#		8704'		7 7/8"	
						545 sx Hi fill + add Tailed w/ 1395 sx 50/50 Poz	
29. LINER RECORD							
SIZE		TOP (MD)		BOTTOM (MD)		SACKS CEMENT*	
						SCREEN (MD)	
						2 3/8"	
						6227'	
30. TUBING RECORD							
31. PERFORATION RECORD (Interval, size and number) Mesaverde 8114' - 8595'; Wasatch 6046' - 50'; 6020' - 20'; 5970' - 74'; 5950' - 58'; 7524' - 7530'; 6548' - 6552'; 6507' - 6512'; 6491' - 6494'; 6465' - 68'							
32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC. DEPTH INTERVAL (MD) Refer to Item #37 AMOUNT AND KIND OF MATERIAL USED							
33.* PRODUCTION DATE FIRST PRODUCTION 9/23/99 PRODUCTION METHOD Flowing WELL STATUS (Producing or shut-in) Producing							
DATE OF TEST 9/25/99		HOURS TESTED 24		CHOKE SIZE 36/64		PROD'N. FOR TEST PERIOD →	
FLOW. TUBING PRESS. 760#		CASING PRESSURE 1220#		CALCULATED 24-HOUR RATE →		OIL - BBL. 0	
						GAS - MCF. 3829	
						WATER - BBL. 32	
						OIL GRAVITY - API (CORR.) 0	
34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.) Sold used for fuel						TEST WITNESSED BY	
35. LIST OF ATTACHMENTS None							
36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records SIGNED <u>Sheila Upchego</u> TITLE <u>Environmental Jr. Analyst</u> DATE <u>12/10/99</u>							

*(See Instructions and Spaces for Additional Data on Reverse Side)

37. SUMMARY OF POROUS ZONES: (Show all important zones of porosity and contents thereof; core intervals; and all drill-stem tests, including depth interval tested, cushion used, time to tool open, flowing and shut-in pressures, and recoveries):				38. GEOLOGIC MARKERS		
FORMATION	TOP	BOTTOM	DESCRIPTION, CONTENTS, ETC.	NAME	MEAS. DEPTH	TRUE VERT. DEPTH
Green River	2034'	5307'	#32 Mesaverde Perf 8590' -95, 8512' -16', 8468' -70' 8338' -43' 8274' -43', 8274' -78', 8114' -18' Spot 500 Gals 15% HCL Across from 8114' -8595'. Frac 8114' -8595' w/60/600 20/40 sd. Perf Wasatch 7090' -95' Frac w/ 26,000# 20/40 sd Perf Wasatch F/ 6548' -52', 6507' -12', 6491' 94', 6465' -68' Frac w/65,000# 20/40 sd Perf 6290' -6330', 6365' -6380' Spot acid across perfs 6920' -6380'. Break down perfs 6290' -6380' Spot 12 Bbls 15% HCL Across Intervals @ 6046' -5500' Perf Wasatch 6046' -6050', 6020' -6028', 5970' -74' 5950' -58'. Frac Wasatch perfs 5950' -6050' w/62,500# 20/40 sd. Perf Wasatch 5866' -5873'. Frac w/39,700# 20/40 sd Perf Wasatch 5654' -5660' Frac w/47,700# 20/40 sd			
Wasatch	5307'	8097'				
Mesaverde	8097'					

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL ☐ GAS WELL ☐ OTHER ☐

2. NAME OF OPERATOR: El Paso Production Oil & Gas Company

3. ADDRESS OF OPERATOR: 8 South 1200 East CITY Vernal STATE Utah ZIP 84078 PHONE NUMBER: 435-789-4433

4. LOCATION OF WELL FOOTAGES AT SURFACE:

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:

5. LEASE DESIGNATION AND SERIAL NUMBER:

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT or CA AGREEMENT NAME:

8. WELL NAME and NUMBER:

9. API NUMBER:

10. FIELD AND POOL, OR WILDCAT:

COUNTY:

STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

TYPE OF ACTION

☐ NOTICE OF INTENT
(Submit in Duplicate)

Approximate date work will start:

☐ SUBSEQUENT REPORT
(Submit Original Form Only)

Date of work completion:

☐ ACIDIZE

☐ ALTER CASING

☐ CASING REPAIR

☐ CHANGE TO PREVIOUS PLANS

☐ CHANGE TUBING

☐ CHANGE WELL NAME

☐ CHANGE WELL STATUS

☐ COMMINGLE PRODUCING FORMATIONS

☐ CONVERT WELL TYPE

☐ DEEPEN

☐ FRACTURE TREAT

☐ NEW CONSTRUCTION

☐ OPERATOR CHANGE

☐ PLUG AND ABANDON

☐ PLUG BACK

☐ PRODUCTION (START/RESUME)

☐ RECLAMATION OF WELL SITE

☐ RECOMPLETE - DIFFERENT FORMATION

☐ REPERFORATE CURRENT FORMATION

☐ SIDETRACK TO REPAIR WELL

☐ TEMPORARILY ABANDON

☐ TUBING REPAIR

☐ VENT OR FLARE

☐ WATER DISPOSAL

☐ WATER SHUT-OFF

☒ OTHER: Name Change

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

As a result of the merger between The Coastal Corporation and a wholly owned subsidiary of El Paso Energy Corporation, the name of Coastal Oil & Gas Corporation has been changed to El Paso Production Oil & Gas Company effective March 9, 2001.

See Exhibit "A"

Bond # 400JU0708

Coastal Oil & Gas Corporation

NAME (PLEASE PRINT) John T. Elzner

TITLE Vice President

SIGNATURE

DATE 06-15-01

El Paso Production Oil & Gas Company

NAME (PLEASE PRINT) John T. Elzner

TITLE Vice President

SIGNATURE

DATE 06-15-01

(This space for State use only)

RECEIVED

JUN 19 2001

DIVISION OF
OIL, GAS AND MINING

State of Delaware
Office of the Secretary of State

PAGE 1

I, HARRIET SMITH WINDSOR, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF AMENDMENT OF "COASTAL OIL & GAS CORPORATION", CHANGING ITS NAME FROM "COASTAL OIL & GAS CORPORATION" TO "EL PASO PRODUCTION OIL & GAS COMPANY", FILED IN THIS OFFICE ON THE NINTH DAY OF MARCH, A.D. 2001, AT 11 O'CLOCK A.M.

RECEIVED

JUN 4 2001

DIVISION OF
OIL, GAS AND MINING



Harriet Smith Windsor
Harriet Smith Windsor, Secretary of State

0610204 8100

AUTHENTICATION: 1061007

010162788

DATE: 04-03-01

CERTIFICATE OF AMENDMENT

OF

CERTIFICATE OF INCORPORATION

COASTAL OIL & GAS CORPORATION (the "Company"), a corporation organized and existing under and by virtue of the General Corporation Law of the State of Delaware, DOES HEREBY CERTIFY:

FIRST: That the Board of Directors of the Company, by the unanimous written consent of its members, filed with the minutes of the Board, adopted a resolution proposing and declaring advisable the following amendment to the Certificate of Incorporation of the Company:

RESOLVED that it is deemed advisable that the Certificate of Incorporation of this Company be amended, and that said Certificate of Incorporation be so amended, by changing the Article thereof numbered "FIRST." so that, as amended, said Article shall be and read as follows:

"FIRST. The name of the corporation is El Paso Production Oil & Gas Company."

SECOND: That in lieu of a meeting and vote of stockholders, the stockholders entitled to vote have given unanimous written consent to said amendment in accordance with the provisions of Section 228 of the General Corporation Law of the State of Delaware.

THIRD: That the aforesaid amendment was duly adopted in accordance with the applicable provisions of Sections 242 and 228 of the General Corporation Law of the State of Delaware.

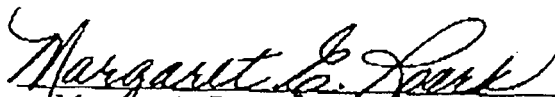
IN WITNESS WHEREOF, said COASTAL OIL & GAS CORPORATION has caused this certificate to be signed on its behalf by a Vice President and attested by an Assistant Secretary, this 9th day of March 2001.

COASTAL OIL & GAS CORPORATION



David L. Siddall
Vice President

Attest:


(Margaret E. Roark, Assistant Secretary)

RECEIVED

STATE OF DELAWARE
SECRETARY OF STATE
DIVISION OF CORPORATIONS
FILED 11:00 AM 03/09/2001
010118394 - 0610204

JUN 19 2001

DIVISION OF
OIL, GAS AND MINING



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office
P.O. Box 45155
Salt Lake City, UT 84145-0155

RECEIVED

JUL 12 2001

DIVISION OF
OIL, GAS AND MINING

In Reply Refer To:

3106

UTSL-065841

(UT-924)

JUL 10 2001

NOTICE

El Paso Production Oil & Gas Company : Oil and Gas
Nine Greenway Plaza :
Houston TX 77046-0095 :

Name Change Recognized

Acceptable evidence has been received in this office concerning the name change of Coastal Oil & Gas Corporation into El Paso Production Oil & Gas Company with El Paso Production Oil & Gas Company being the surviving entity.

For our purposes, the name change is recognized effective March 9, 2001.

The oil and gas lease files identified on the enclosed exhibit have been noted as to the name change. The exhibit was compiled from a list of leases obtained from our computer program. We have not abstracted the lease files to determine if the entities affected by this name change hold an interest in the leases identified nor have we attempted to identify leases where the entities are the operator on the ground maintaining no vested recorded title or operating rights interests. We will be notifying the Minerals Management Service and all applicable Bureau of Land Management offices of the change by a copy of this notice. If additional documentation for changes of operator are required by our Field Offices, you will be contacted by them.

If you identify additional leases in which the entities maintain an interest, please contact this office and we will appropriately document those files with a copy of this Notice.

Due to the name change, the name of the principal/obligor on the bond is required to be changed from Coastal Oil & Gas Corporation to El Paso Production Oil & Gas Company. You may accomplish this either by consent of surety rider on the original bond or a rider to the original bond. The bonds are held in Wyoming and Colorado.



Opolonia L. Abeyta
Acting Chief, Branch of
Minerals Adjudication

Enclosure

1. Exhibit of Leases (1 pp)

cc: Moab Field Office
Vernal Field Office
MMS, Reference Data Branch, MS3130, PO Box 5860, Denver CO 80217
~~State of Utah, DOGM,~~ Attn: Jim Thompson (Ste. 1210), Box 145801, SLC UT 84114
Teresa Thompson (UT-922)
Joe Incardine (UT-921)

1112 Copy



United States Department of the Interior

BUREAU OF INDIAN AFFAIRS

Uintah and Ouray Agency

P. O. Box 130

988 South 7500 East

Fort Duchesne, Utah 84026-0130

Phone: (435) 722-4300

Fax: (435) 722-2323

IN REPLY REFER TO:
Minerals and Mining
Phone: (435) 722-4310
Fax: (435) 722-2809

August 16, 2001

El Paso Production Company
Attn: Elizabeth R. Williams
Nine Greenway Plaza
Houston, TX 77046-0995

Dear Mrs. Williams:

We are in receipt of the corporate documentation for the name change from Coastal Oil & Gas Corporation to El Paso Production Oil and Gas Company.

All documents appear to be in order, and the approval is hereby authorized to change all records, including change of operator of certain oil and gas wells, Rights-of-Way, Communitization Agreements, Oil and Gas Leases, Exploration and Development Agreements, etc. from Coastal Oil & Gas Corporation to "El Paso Production Oil and Gas Company".

Approval of this name change is August 16, 2001, but effective on March 9, 2001. If you have any questions, please do not hesitate to contact this office.

Respectfully,

Acting Superintendent

RECEIVED

AUG 22 2001

DIVISION OF
OIL, GAS AND MINING

OPERATOR CHANGE WORKSHEET**ROUTING**

1. GLH		4-KAS
2. CDW ✓		5-LP
3. JLT		6-FILE

Enter date after each listed item is completed

Change of Operator (Well Sold)

Designation of Agent

Operator Name Change (Only)

X **Merger**The operator of the well(s) listed below has changed, effective: **3-09-2001**

FROM: (Old Operator):
COASTAL OIL & GAS CORPORATION
Address: 9 GREENWAY PLAZA STE 2721
HOUSTON, TX 77046-0995
Phone: 1-(713)-418-4635
Account N0230

TO: (New Operator):
EL PASO PRODUCTION OIL & GAS COMPANY
Address: 9 GREENWAY PLAZA STE 2721 RM 2975B
HOUSTON, TX 77046-0995
Phone: 1-(832)-676-4721
Account N1845

CA No.**Unit:****WELL(S)**

NAME		API NO	ENTITY NO	SEC TWN RNG	LEASE TYPE	WELL TYPE	WELL STATUS
K SNOW KNIGHT 4 23	(9C-191)	43-047-30749	130	04-09S-20E	INDIAN	GW	P
TRIBAL 4-122	(9C-191)	43-047-33717	99999	04-09S-20E	INDIAN	GW	APD
TRIBAL 1 WELL 54	(UTU 76246)	43-047-32467	11850	01-09S-21E	INDIAN	GW	P
MCCOOK 1-66	(UTU 76246)	43-047-33336	12561	01-09S-21E	INDIAN	GW	P
TRIBAL 1-125	(UTU 76246)	43-047-33414	12805	01-09S-21E	INDIAN	GW	P
TRIBAL 1-126		43-047-33415	12804	01-09S-21E	INDIAN	GW	P
MCCOOK 1-142	(UTU 76246)	43-047-33455	12790	01-09S-21E	INDIAN	GW	P
TRIBAL 1-163	(UTU 76246)	43-047-33747	13148	01-09S-21E	INDIAN	GW	P
ANKERPONT ETAL 2 6	(9C-187)	43-047-30572	75	02-09S-21E	INDIAN	GW	P
TRIBAL 2 WELL 50	(9C-187)	43-047-32698	11868	02-09S-21E	INDIAN	GW	P
TRIBAL 2-102	(9C-187)	43-047-33379	13023	02-09S-21E	INDIAN	GW	DRL
PAWWINNEE ETAL 3 10	(9C-186)	43-047-30662	85	03-09S-21E	INDIAN	GW	P
SHOYO 37A		43-047-32655	11737	03-09S-21E	INDIAN	GW	S
SHOYO 3-59	(9C-186)	43-047-33277	12553	03-09S-21E	INDIAN	GW	P
OURAY 3-74	(9C-186)	43-047-33278	99999	03-09S-21E	INDIAN	GW	APD
OURAY 3-75	(9C-186)	43-047-33279	99999	03-09S-21E	INDIAN	GW	APD
SHOYO 3-162	(9C-186)	43-047-33868	13242	03-09S-21E	INDIAN	GW	DRL
SERAWOP 4-13	(84C-725)	43-047-30663	191	04-09S-21E	INDIAN	GW	P
BLUE FEATHER 4-30	(84C-721)	43-047-31000	190	04-09S-21E	INDIAN	GW	P
SERAWOP 4-103	(84C-725)	43-047-33376	99999	04-09S-21E	INDIAN	GW	APD

OPERATOR CHANGES DOCUMENTATION

1. (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 06/19/2001
2. (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 06/19/2001
3. The new company has been checked through the **Department of Commerce, Division of Corporations Database** on: 06/21/2001
4. Is the new operator registered in the State of Utah: YES Business Number: 608186-0143

5. If **NO**, the operator was contacted on: N/A
6. **Federal and Indian Lease Wells:** The BLM and or the BIA has approved the (merger, name change, or operator change for all wells listed on Federal or Indian leases on: 08/16/2001
7. **Federal and Indian Units:** The BLM or BIA has approved the successor of unit operator for wells listed on: 07/10/2001
8. **Federal and Indian Communization Agreements ("CA"):** The BLM or the BIA has approved the operator change for all wells listed involved in a CA on: 08/16/2001
9. **Underground Injection Control ("UIC")** The Division has approved UIC Form 5, **Transfer of Authority to Inject**, for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on: N/A

DATA ENTRY:

1. Changes entered in the **Oil and Gas Database** on: 09/04/2001
2. Changes have been entered on the **Monthly Operator Change Spread Sheet** on: 09/04/2001
3. Bond information entered in RBDMS on: N/A
4. Fee wells attached to bond in RBDMS on: N/A

STATE BOND VERIFICATION:

1. State well(s) covered by Bond No.: N/A

FEDERAL BOND VERIFICATION:

1. Federal well(s) covered by Bond No.: N/A

INDIAN BOND VERIFICATION:

1. Indian well(s) covered by Bond No.: 103601473

FEE WELLS - BOND VERIFICATION/LEASE INTEREST OWNER NOTIFICATION:

1. (R649-3-1) The **NEW** operator of any fee well(s) listed covered by Bond No: N/A
2. The **FORMER** operator has requested a release of liability from their bond on: N/A
The Division sent response by letter on: N/A
3. (R649-2-10) The **FORMER** operator of the Fee wells has been contacted and informed by a letter from the Division of their responsibility to notify all interest owners of this change on:

FILMING:

1. All attachments to this form have been **MICROFILMED** on:

FILING:

1. **ORIGINALS/COPIES** of all attachments pertaining to each individual well have been filled in each well file on:

COMMENTS: Master list of all wells involved in operator change from Coastal Oil & Gas Corporation to El Paso Production Oil and Gas Company shall be retained in the "Operator Change File".



WESTPORT OIL AND GAS COMPANY, L.P.

410 Seventeenth Street #2300 Denver Colorado 80202-4436
Telephone: 303 573 5404 Fax: 303 573 5609

February 1, 2002

Department of the Interior
Bureau of Land Management
2850 Youngfield Street
Lakewood, CO 80215-7093
Attention: Ms. Martha Maxwell

RE: BLM Bond CO-1203
BLM Nationwide Bond 158626364
Surety - Continental Casualty Company
Belco Energy Corporation merger into Westport Oil and Gas Company, Inc.
Conversion of Westport Oil and Gas Company, Inc., into Westport Oil and Gas Company, L.P.
Assumption Rider - Westport Oil and Gas Company, L.P.

Dear Ms. Maxwell:

Pursuant to our recent conversations, please find the following list of enclosures for the BLM's consideration and approval:

Two (2) Assumption Riders, fully executed originals.
Copies of Belco Energy Corporation merger into Westport Oil and Gas Company, Inc.
Copies of Westport Oil and Gas Company, Inc., conversion into Westport Oil and Gas Company, L.P.
List of all Federal/BIA/State Leases - Belco/Westport's leases - in all states.

Please inform us of any additional information needed to complete the change to Westport Oil and Gas Company, L.P., as operator of record.

I thank you for your assistance and cooperation in this matter. Please do not hesitate contacting the undersigned, should a question arise.

Sincerely,
Westport Oil and Gas Company, L.P.

Debby J. Black

Debby J. Black
Engineer Technician

Encl:



United States Department of the Interior **RECEIVED**

BUREAU OF LAND MANAGEMENT

Utah State Office
P.O. Box 45155
Salt Lake City, UT 84145-0155

FEB 22 2002

DIVISION OF
OIL, GAS AND MINING

In Reply Refer To:

3106

UTU-25566 et al

(UT-924)

FEB 21 2002

NOTICE

Westport Oil and Gas Company L.P. : Oil and Gas
410 Seventeenth Street, #2300 :
Denver Colorado 80215-7093 :

Name Change Recognized

Acceptable evidence has been received in this office concerning the name change of Westport Oil and Gas Company, Inc. into Westport Oil and Gas Company, L.P. with Westport Oil and Gas Company, L.P. being the surviving entity.

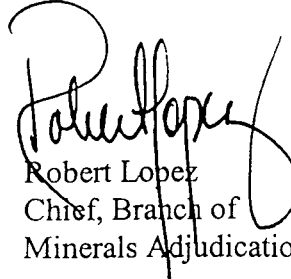
For our purposes, the name change is recognized effective December 31, 2001.

The oil and gas lease files identified have been noted as to the name change. The exhibit was compiled from a list of leases obtained from our computer program. We have not abstracted the lease files to determine if the entities affected by this name change hold an interest in the leases identified nor have we attempted to identify leases where the entities are the operator on the ground maintaining no vested recorded title or operating rights interests. We will be notifying the Minerals Management Service and all applicable Bureau of Land Management offices of the change by a copy of this notice. If additional documentation for changes of operator are required by our Field Offices, you will be contacted by them.

If you identify additional leases in which the entities maintain an interest, please contact this office and we will appropriately document those files with a copy of this Notice.

Due to the name change, the name of the principal/obligor on the bond is required to be changed from Westport Oil and Gas Company, Inc. to Westport Oil and Gas Company, L.P.. You may accomplish this either by consent of surety rider on the original bond or a rider to the original bond. The bonds are held in Colorado.

UTU-03405
UTU-20895
UTU-25566
UTU-43156
UTU-49518
UTU-49519
UTU-49522
UTU-49523



Robert Lopez
Chief, Branch of
Minerals Adjudication

cc: Moab Field Office
Vernal Field Office
MMS, Reference Data Branch, MS3130, PO Box 5860, Denver CO 80217
State of Utah, DOGM, Attn: Jim Thompson (Ste. 1210), Box 145801, SLC UT 84114
Teresa Thompson (UT-922)
Joe Incardine (UT-921)

memorandum

Branch of Real Estate Services
Uintah & Ouray Agency

Date: 5 December, 2002

Reply to
Attn of: Supervisory Petroleum Engineer

Subject: Modification of Utah Division of Oil, Gas and Mining Regulations

To: Director, Utah Division of Oil, Gas and Mining Division: John Baza

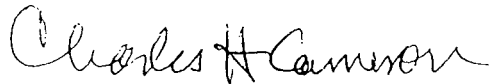
We have been advised of changes occurring with the operation of your database for Change of Operator. You will be modifying your records to reflect Change of Operator once you have received all necessary documentation from the companies involved, and perhaps in advance of our Notice of Concurrence/Approval of Change of Operator where Indian leases are involved.

We have no objection.

With further comment to Rulemaking, I wish to comment concerning the provision of Exhibits for upcoming Hearings. I would like to see the Uintah & Ouray Agency, BIA, and the Ute Indian Tribe, Energy & Mineral Resources Department added to the list of those parties that receive advance Exhibits so as to allow us to have research time prior to Hearing dates. We will be able to provide a more informed recommendation to the Oil, Gas and Mining Board. It would be best if we would receive only those Exhibits that concern Indian lands, specifically on or adjacent to Indian lands. This may be a difficult situation to attain, as it is not always clear where 'on or adjacent' occurs.

I am aware that you have gone to extra effort to correct this matter already, and I fully appreciate it. My request is intended only to allow the addition of Uintah & Ouray Agency and Ute Indian Tribe to the official listing.

We appreciate your concern, and hope that these comments are timely enough for consideration in the revision process.



CC: Minerals & Mining Section of RES
Ute Energy & Mineral Resources Department: Executive Director
chrono



United States Department of the Interior

BUREAU OF INDIAN AFFAIRS

Washington, D.C. 20240

FEB 10 2003

IN REPLY REFER TO:
Real Estate Services

Carroll A. Wilson
Principal Landman
Westport Oil and Gas Company, L.P.
1368 South 1200 East
Vernal, Utah 84078

Dear Mr. Wilson:

This is in response to your request for approval of RLI Insurance Company's Nationwide Oil and Gas Lease Bond No. RLB0005239 executed effective December 17, 2002, (\$150,000 coverage) with Westport Oil and Gas Company, L. P., as principal.

This bond is hereby approved as of the date of this correspondence and will be retained in the Bureau of Indian Affairs' Division of Real Estate Services, 1849 C Street, NW, MS-4512-MIB, Washington, D.C. 20240. All Bureau oil and gas regional offices and the surety are being informed of this action.

In cases where you have existing individual and/or collective bonds on file with one or more of our regional offices, you may now request those offices, directly, to terminate in lieu of coverage under this Nationwide Bond.

Enclosed is a copy of the approved bond for your files. If we may be of further assistance in this matter, please advise.

Sincerely,

Director, Office of Trust Responsibilities

ACTING

Enclosure

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

5. LEASE DESIGNATION AND SERIAL NUMBER:

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT or CA AGREEMENT NAME:

1. TYPE OF WELL:

OIL WELL ☐

GAS WELL ☐

OTHER _____

8. WELL NAME and NUMBER:

Exhibit "A"

2. NAME OF OPERATOR:

El Paso Production Oil & Gas Company

9. API NUMBER:

3. ADDRESS OF OPERATOR:

9 Greenway Plaza

Houston

TX

77064-0995

PHONE NUMBER:

(832) 676-5933

10. FIELD AND POOL, OR WILDCAT:

4. LOCATION OF WELL:

FOOTAGES AT SURFACE:

COUNTY:

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:

STATE:

UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

TYPE OF ACTION

☐ NOTICE OF INTENT
(Submit in Duplicate)

Approximate date work will start:

☐ SUBSEQUENT REPORT
(Submit Original Form Only)

Date of work completion:

☐ ACIDIZE

☐ ALTER CASING

☐ CASING REPAIR

☐ CHANGE TO PREVIOUS PLANS

☐ CHANGE TUBING

☐ CHANGE WELL NAME

☐ CHANGE WELL STATUS

☐ COMMINGLE PRODUCING FORMATIONS

☐ CONVERT WELL TYPE

☐ DEEPEN

☐ FRACTURE TREAT

☐ NEW CONSTRUCTION

☒ OPERATOR CHANGE

☐ PLUG AND ABANDON

☐ PLUG BACK

☐ PRODUCTION (START/RESUME)

☐ RECLAMATION OF WELL SITE

☐ RECOMPLETE - DIFFERENT FORMATION

☐ REPERFORATE CURRENT FORMATION

☐ SIDETRACK TO REPAIR WELL

☐ TEMPORARILY ABANDON

☐ TUBING REPAIR

☐ VENT OR FLARE

☐ WATER DISPOSAL

☐ WATER SHUT-OFF

☐ OTHER: _____

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Operator change to Westport Oil and Gas Company, L.P., 1670 Broadway, Suite 2800, Denver, CO. 80202-4800, effective December 17, 2002.

BOND # _____

State Surety Bond No. RLB0005236

Fee Bond No. RLB0005238

EL PASO PRODUCTION OIL & GAS COMPANY

By: _____

Jon R. Nelsen, Attorney-in-Fact

RECEIVED

FEB 28 2003

DIV. OF OIL, GAS & MINING

WESTPORT OIL AND GAS COMPANY, L.P.

NAME (PLEASE PRINT)

David R. Dix

TITLE

Agent and Attorney-in-Fact

SIGNATURE

DATE

12/17/02

(This space for State use only)

(5/1/2001)

(See Instructions on Reverse Side)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB No. 1004-0135
Expires November 30, 2000SUNDRY NOTICES AND REPORTS ON WELLS
*Do not use this form for proposals to drill or reenter an abandoned well. Use Form 3160-3 (APD) for such proposals.***SUBMIT IN TRIPLICATE - Other instructions on reverse side**1. Type of Well
☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

WESTPORT OIL & GAS COMPANY, L.P.

3a. Address

P.O. BOX 1148 VERNAL, UT 84078

3b. Phone No. (include area code)

(435) 781-7023

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

SEE ATTACHED EXHIBIT "A"

5. Lease Serial No.

SEE ATTACHED EXHIBIT "A"

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.

SEE ATTACHED EXHIBIT "A"

9. API Well No.

SEE ATTACHED EXHIBIT "A"

10. Field and Pool, or Exploratory Area

11. County or Parish, State

UINTAH COUNTY, UT

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

☐ Notice of Intent☐ Subsequent Report☐ Final Abandonment Notice

TYPE OF ACTION

☐ Acidize☐ Alter Casing☐ Casing Repair☐ Change Plans☐ Convert to Injection☐ Deepen☐ Fracture Treat☐ New Construction☐ Plug and Abandon☐ Plug Back☐ Production (Start/Resume)☐ Reclamation☐ Recomplete☐ Temporarily Abandon☐ Water Disposal☐ Water Shut-Off☐ Well Integrity☒ OtherSUCCESSOR OF
OPERATOR

13. Describe Proposed or Completed Operations (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleate horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and so on. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed when testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator determined that the site is ready for final inspection.

WESTPORT OIL & GAS COMPANY, L.P., IS CONSIDERED TO BE THE OPERATOR ON THE ATTACHED DESCRIBED LANDS AND IS RESPONSIBLE UNDER THE TERMS AND CONDITIONS OF THE LEASE FOR THE OPERATIONS CONDUCTED ON THE LEASED LANDS OR PORTIONS THEREOF, BOND COVERAGE FOR THIS WELL IS PROVIDED BY FEDERAL NATIONWIDE BOND NO. 158626364, EFFECTIVE FEBRUARY 1, 2002, AND BIA NATIONWIDE BOND NO. RLB0005239, EFFECTIVE FEBRUARY 10, 2003.

RECEIVED

MAR 04 2003

DIV. OF OIL, GAS & MINING

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

CHERYL CAMERON

Title

OPERATIONS

Signature

Date

March 4, 2003

THIS SPACE FOR FEDERAL OR STATE USE

Approved by

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on reverse)

5. If **NO**, the operator was contacted contacted on: _____

6. (R649-9-2)Waste Management Plan has been received on: IN PLACE

7. **Federal and Indian Lease Wells:** The BLM and or the BIA has approved the merger, name change, or operator change for all wells listed on Federal or Indian leases on: BLM-12/31/2003 BIA-12/5/02

8. **Federal and Indian Units:**

The BLM or BIA has approved the successor of unit operator for wells listed on: 02/27/2003

9. **Federal and Indian Communization Agreements ("CA"):**

The BLM or BIA has approved the operator for all wells listed within a CA on: 01/09/2003

10. **Underground Injection Control ("UIC")** The Division has approved UIC Form 5, **Transfer of Authority to Inject**, for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on: N/A

DATA ENTRY:

1. Changes entered in the **Oil and Gas Database** on: 03/28/2003

2. Changes have been entered on the **Monthly Operator Change Spread Sheet** on: 03/28/2003

3. Bond information entered in RBDMS on: N/A

4. Fee wells attached to bond in RBDMS on: N/A

STATE WELL(S) BOND VERIFICATION:

1. State well(s) covered by Bond Number: RLB 0005236

FEDERAL WELL(S) BOND VERIFICATION:

1. Federal well(s) covered by Bond Number: 158626364

INDIAN WELL(S) BOND VERIFICATION:

1. Indian well(s) covered by Bond Number: RLB 0005239

FEE WELL(S) BOND VERIFICATION:

1. (R649-3-1) The **NEW** operator of any fee well(s) listed covered by Bond Number RLB 0005238

2. The **FORMER** operator has requested a release of liability from their bond on: N/A
The Division sent response by letter on: N/A

LEASE INTEREST OWNER NOTIFICATION:

3. (R649-2-10) The **FORMER** operator of the fee wells has been contacted and informed by a letter from the Division of their responsibility to notify all interest owners of this change on: N/A

COMMENTS:

Division of Oil, Gas and Mining
OPERATOR CHANGE WORKSHEET

ROUTING

1. DJJ

2. CDW

X Change of Operator (Well Sold)

Operator Name Change/Merger

The operator of the well(s) listed below has changed, effective:

1/6/2006

FROM: (Old Operator):

N2115-Westport Oil & Gas Co., LP

1368 South 1200 East

Vernal, UT 84078

Phone: 1-(435) 781-7024

TO: (New Operator):

N2995-Kerr-McGee Oil & Gas Onshore, LP

1368 South 1200 East

Vernal, UT 84078

Phone: 1-(435) 781-7024

CA No.		Unit:				
WELL NAME	SEC	TWN	RNG	API NO	ENTITY NO	LEASE TYPE
						WELL TYPE
						WELL STATUS

OPERATOR CHANGES DOCUMENTATION

Enter date after each listed item is completed

- (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 5/10/2006
- (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 5/10/2006
- The new company was checked on the **Department of Commerce, Division of Corporations Database** on: 3/7/2006
- a. Is the new operator registered in the State of Utah: YES Business Number: 1355743-0181
- b. If **NO**, the operator was contacted on: _____
- a. (R649-9-2)Waste Management Plan has been received on: IN PLACE
- b. Inspections of LA PA state/fee well sites complete on: n/a
- c. Reports current for Production/Disposition & Sundries on: ok

- Federal and Indian Lease Wells:** The BLM and or the BIA has approved the merger, name change, or operator change for all wells listed on Federal or Indian leases on: BLM 3/27/2006 BIA not yet

7. Federal and Indian Units:

The BLM or BIA has approved the successor of unit operator for wells listed on: 3/27/2006

8. Federal and Indian Communization Agreements ("CA"):

The BLM or BIA has approved the operator for all wells listed within a CA on: n/a

- Underground Injection Control ("UIC")** The Division has approved UIC Form 5, **Transfer of Authority to Inject**, for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on: _____

DATA ENTRY:

- Changes entered in the **Oil and Gas Database** on: 5/15/2006
- Changes have been entered on the **Monthly Operator Change Spread Sheet** on: 5/15/2006
- Bond information entered in RBDMS on: 5/15/2006
- Fee/State wells attached to bond in RBDMS on: 5/16/2006
- Injection Projects to new operator in RBDMS on: _____
- Receipt of Acceptance of Drilling Procedures for APD/New on: n/a Name Change Only

BOND VERIFICATION:

- Federal well(s) covered by Bond Number: CO1203
- Indian well(s) covered by Bond Number: RLB0005239
- (R649-3-1) The **NEW** operator of any fee well(s) listed covered by Bond Number RLB0005236
- a. The **FORMER** operator has requested a release of liability from their bond on: n/a rider added KMG
The Division sent response by letter on: _____

LEASE INTEREST OWNER NOTIFICATION:

- (R649-2-10) The **FORMER** operator of the fee wells has been contacted and informed by a letter from the Division of their responsibility to notify all interest owners of this change on: 5/16/2006

COMMENTS:

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or reenter an abandoned well. Use Form 3160-3 (APD) for such proposals.

FORM APPROVED
OMB No. 1004-0135
Expires November 30, 2000

5. Lease Serial No.

MULTIPLE LEASES

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.

MUTIPLE WELLS

9. API Well No.

10. Field and Pool, or Exploratory Area

11. County or Parish, State

UINTAH COUNTY, UTAH

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

KERR-McGEE OIL & GAS ONSHORE LP

3a. Address

1368 SOUTH 1200 EAST VERNAL, UT 84078

3b. Phone No. (include area code)

(435) 781-7024

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

SEE ATTACHED

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other CHANGE OF OPERATOR
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operations (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.

PLEASE BE ADVISED THAT KERR-McGEE OIL & GAS ONSHORE LP, IS CONSIDERED TO BE THE OPERATOR OF THE ATTACHED WELL LOCATIONS. EFFECTIVE JANUARY 6, 2006. KERR-McGEE OIL & GAS ONSHORE LP, IS RESPONSIBLE UNDER TERMS AND CONDITIONS OF THE LEASE(S) FOR THE OPERATIONS CONDUCTED UPON LEASE LANDS. BOND COVERAGE IS PROVIDED BY STATE OF UTAH NATIONWIDE BOND NO. RLB0005237.

RECEIVED

MAY 10 2006

DIV. OF OIL, GAS & MINING

BLM BOND = C01203

BIA BOND = RLB0005239

APPROVED 5/16/06

Earlene Russell

Division of Oil, Gas and Mining
Earlene Russell, Engineering Technician

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

RANDY BAYNE

Signature

Randy Bayne

Title

DRILLING MANAGER

Date

May 9, 2006

THIS SPACE FOR FEDERAL OR STATE USE

Approved by

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on reverse)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0135
Expires November 30, 2000

SUNDRY NOTICES AND REPORTS ON WELLS

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5. Lease Serial No.

MULTIPLE LEASES

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.

MUTIPLE WELLS

9. API Well No.

10. Field and Pool, or Exploratory Area

11. County or Parish, State

UINTAH COUNTY, UTAH

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

WESTPORT OIL & GAS COMPANY L.P.

3a. Address

1368 SOUTH 1200 EAST VERNAL, UT 84078

3b. Phone No. (include area code)

(435) 781-7024

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

SEE ATTACHED

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize <input type="checkbox"/> Deepen <input type="checkbox"/> Production (Start/Resume) <input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing <input type="checkbox"/> Fracture Treat <input type="checkbox"/> Reclamation <input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair <input type="checkbox"/> New Construction <input type="checkbox"/> Recomplete <input checked="" type="checkbox"/> Other CHANGE OF OPERATOR
	<input type="checkbox"/> Change Plans <input type="checkbox"/> Plug and Abandon <input type="checkbox"/> Temporarily Abandon
	<input type="checkbox"/> Convert to Injection <input type="checkbox"/> Plug Back <input type="checkbox"/> Water Disposal

13. Describe Proposed or Completed Operations (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.

EFFECTIVE JANUARY 6, 2006, WESTPORT OIL & GAS COMPANY L.P., HAS RELINQUISHED THE OPERATORSHIP OF THE ATTACHED WELL LOCATIONS TO KERR-McGEE OIL & GAS ONSHORE LP.

APPROVED 5/16/06
Earlene Russell
Division of Oil, Gas and Mining
Earlene Russell, Engineering Technician

RECEIVED
MAY 10 2006

DIV. OF OIL, GAS & MINING

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

BRAD LANEY

Title

ENGINEERING SPECIALIST

Signature

Date

May 9, 2006

THIS SPACE FOR FEDERAL OR STATE USE

Approved by

Brad Laney

Title

Date

5-9-06

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on reverse)